

MAINFREIGHT TEAM REVIEW



Brisbane Team Are All Smiles - At Home in the Shiny New Larapinta, Queensland Site













Managing Director's Comment

elcome to our team's newsletter, where we share the insights and happenings of our Mainfreight family from all parts of the globe: 20 countries, 233 branches and 5,771 people.

We have just completed our financial year end and have released these results to our shareholders. It has been a pleasing result, with an increase in net profit by 36.0% to \$89.64 million, an increase in sales revenue by 2.1% to \$1.92 billion, and operating profit (EBITDA) to \$149.19 million, up 8.5%.

A feature of this result was the improvement by almost all our geographical segments, New Zealand, Australia, The Americas and Asia, over their prior year results. Only Europe declined, by just 5% for the year; however their performance in the second half of the year improved 18% over the same period in the year before. This improvement has continued into the new financial year and is providing us with renewed confidence for the region.

These are satisfying results, and all 5,771 of us should take time to reflect on our efforts and congratulate ourselves on the success that has come with hard work. We thank you all.

Self-congratulation is all well and good, but I can hear you saying, "What's next?" Reflecting on these results is essentially looking backwards; they are a measure of our past. What is more exciting is what is in front of us. For our future is what is important.

We are well placed to create some magic, providing we are focused, committed and passionate. There is no doubt in our minds that we have a runaway train on our hands; a business that will challenge our

largest competitors for their position and importantly will do so through the provision of the highest quality freight and logistics services.

To help these dreams and aspirations along, we have continued to invest in high quality facilities across our network and we plan on investing a lot more as we begin to find confidence and growth, particularly in the newer parts of our global business.

In Australia, across Brisbane, Sydney and Adelaide, we have completed new facilities which are now home to our Transport, Air & Ocean, Logistics and Owens divisions. Melbourne and Perth are next off the rank. These new facilities are magnificent and will provide us with real competitive advantage.

However, as team members, we need to take the opportunity to exit old, bad habits and re-think how we can introduce higher levels of quality and efficiency. Cleanliness, tidiness and the commitment to leave everything we touch better than we found it is essential. Use of electric pallet jacks over forklifts, end loading of our pickup/delivery and linehaul fleet, improved technology and expertise in our warehouses and upgrading the presentation of our fleet, our buildings and ourselves – now is the time to get all of this in place.

In New Zealand, the rebuild of our Christchurch Transport and Logistics facilities is nearly complete, the new Hamilton depot is under way, and in Auckland we are embarking on our entry into the warehousing and distribution of fresh food (ambient, chilled and perhaps frozen) with the building of specialist facilities at our Westney Road, Mangere property.

The changes in thinking and actions, as described above for Australia, apply just as much for New Zealand, and indeed for the rest of the world.

Our network outside of Australasia continues to expand. We expect to open more branches throughout Asia, have recently done so in Germany and Poland, and are also developing our USA coverage. We will open new dedicated 3PL warehouses in the US, dedicated to our customers' warehousing requirements, and CaroTrans is focused on expanding their footprint in Western Europe. The development of our Air & Ocean network around the world will come from supporting our own branches ahead of others'.

The aches and pains of Europe are behind us, and the potential for growth there, and in the large markets of Asia, Australia and the Americas can be clearly seen – it just requires our sales teams to be aggressive in developing revenue and gaining more customers and our operational teams to consistently provide the world-class service that we are becoming known for.

It is just a matter of time – not if, but when – we are able to convince more customers to experience our service and capabilities across our complete supply chain network.

Our future is in our hands. We are well positioned and confident of the growth ahead of us.

Together we must act – and not waste one minute in making this happen.

Thanks again to all in our Mainfreight family for your belief, passion and hard work. Put your trust in each other to deliver on our dreams.

... 'Tis bloody exciting!





New Zealand Forwarding - Carl George

he combined Domestic teams in New Zealand finished off the 2013/14 financial year in good shape – ahead in both profit, and revenue.

A great result, taking into account the major disruptions that our teams and our customers faced last year. A big thank you to everyone who worked, beyond the call of duty, during the exceptionally busy Christmas period. The effects of large volumes and the main Interisland ferry being taken out of service meant extra pressure for everyone.

We continue to improve our facilities here in New Zealand. The Mainfreight Christchurch rebuild will be completed by September 2014, and we have broken ground in Hamilton for what will be our largest Transport facility in New Zealand within twelve months. We have given the Mainfreight 2Home teams dedicated facilities in Auckland

and Christchurch as we endeavour to grow in this space, and we will be bringing the Auckland teams from Mainfreight Metro and Owens Metro together in a shared facility by the end of August of this year.

These are all positives for our business; however we must all keep a focus on our quality, standards, customer service, and presentation inside these facilities.

Over the last few months, as a team we have discussed the Mainfreight 15% rule. Not just achieving 15% better revenues, but being 15% better in everything we do – at customer service level, in our response times, quality of operations, presentation, standards, hiring and KPI's. Let's make sure that these messages and actions are followed through, and that every year we improve in all of these areas.

Thoughts for 2014-2015

- Back to basics: better checking, counting and signing of freight in our operations this year.
- 2. Do not send hospital passes to your brother branches this year.
- Make good hiring decisions and develop the future leaders of our business.
- **4.** Make sure you have a succession plan in place.
- 5. Domestic, Logistics, Air & Ocean It takes three to tango in our business today, let's all stay tight and look after each other.
- **6.** Continue to drive the safety first message in your branch.
- 7. Be aggressive and hungry; continue to take market share and make life tough for our competitors.
- 8. Act Local, Think Global.

Once again, thank you to all the teams for this past year; let's now keep the focus on the year ahead.

Thank you

2Home on the Move

Grant Smith and the 2Home team in Auckland have recently moved to their new 'House'. Moving away from the end of the dock at Mainfreight Auckland to this standalone facility has bought great improvements in quality, image, standards, and morale.

Mainfreight 2Home - At home at 32 Bell Avenue, Mount Wellington

Some of our invigorated 2Home Team: (L-R) Vanessa Maxwell, Eddie Freeman, Jonathan Davison, William Mariner, Joseph Bell



Princess Fiona Tug

In trying to 'keep up' with the European and Australian teams, Mitch Gregor and the Mainfreight Auckland team recently rolled out "Princess Fiona" to do the trailer placements.

Seen here, sitting on a pillow to see over the steering wheel, is Wiki Abraham rolling another trailer in for loading.



Whangarei Legends

Our Whangarei team recently celebrated 20 years in the North with a past and present team function. As part of this special milestone, two Mainfreight legends were presented with service awards.



Branch Manager Sarah Bleakley presents awards to Rod McTavish (left) for 24 years, and Joe 90 (right) for 20 years, with help(!) from Mainfreight Man, Daily Mate, and Owens Man

Mainfreight Christchurch

Completion of the Transport depot part of the Mainfreight Christchurch rebuild is well and truly on track for completion in September 2015. Out with the old ...

And in with the new. Here are some progress shots as it takes shape – impressive





Coast to Coast

Warren McKee, Operations Manager at Mainfreight Rotorua, recently completed the famous Coast to Coast race in the South Island of New Zealand. The race is from Kumara Beach on the West Coast through to Sumner Beach in Christchurch on the East Coast. Warren competed as part of a team which undertook the gruelling race, consisting of a 3km run, 55km bike, 22km mountain run, 15km bike, 65km kayak, finishing with a 70km bike to the finish... Great work Warren!

National Operations Meeting Wellington

We recently held our National Operations Meeting in Wellington. As part of this year's meeting, the team went on customer visits for the first time and are pictured here at one of our long-standing customers after a site tour.





Hamilton's New Branch - We've Broken Ground!

The new depot in Hamilton is finally underway. We have broken ground a year out from our expected May 2015 completion date.

As you can see from the artist's impression, this is an impressive facility, and as any good owner driver will do, Wayne 'Goody' Goodwin has already claimed his spot on the new dock.

Claims Performance

Outward Consignments Per Claim				Inwards Consignments Per Claim			
Branch	To March 2014	To Sept 2013	To March 2013	Branch	To March 2014	To Sept 2013	To March 2013
Chem Auckland	2048	2332	2060	Chem Auckland	3988	4741	3283
Chem Christchurch	1290	1114	1016	Blenheim	1719	2212	1998
New Plymouth	933	678	773	DF Auckland	1634	1660	2083
Napier	923	799	945	MF Auckland	1609	1379	1470
MF Auckland	868	714	777	Palmerston North	1581	1802	1711
Palmerston North	860	951	771	Owens Christchurch	1552	1957	1167
MF Hamilton	811	861	699	Chem Christchurch	1463	1350	3213
MF Wellington	777	821	867	Taupo	1444	1351	1254
Owens Auckland	752	756	907	Owens Auckland	1378	1991	2541
Rotorua	745	619	747	MF Wellington	1377	1411	1442
Mt Maunganui	720	699	566	Napier	1303	1268	1084
Dunedin	715	668	840	New Plymouth	1266	1475	1080
Total Company	677	669	674	MF Christchurch	1261	1236	1110
DF Auckland	592	679	756	Mt Maunganui	1256	1137	1325
Invercargill	523	634	744	Total Company	1172	1197	1210
Whangarei	523	444	668	DF Christchurch	1157	965	1119
MF Christchurch	497	475	464	Rotorua	1129	1283	980
DF Christchurch	474	517	452	MF Hamilton	1063	1100	1090
Owens Christchurch	439	410	315	Invercargill	908	939	821
Blenheim	431	348	606	Whangarei	801	911	1047
Nelson	346	336	371	Dunedin	649	596	653
Taupo	295	292	470	Nelson	470	448	483

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

New Zealand Supply Chain - Craig Evans

Westney Road, Auckland - Under Development

onstruction of the new warehouse at our existing Westney Road facility is well underway, and we have used this new build to take advantage of recent advances in warehouse infrastructure.

State of the Art Docks

We have fused together the best of two technologies, one out of the major car plants of Detroit, USA and the other from our own New Zealand container dock design, creating a unique dock system that can manage the height variances between hard-sider low ride trailers and shipping containers.

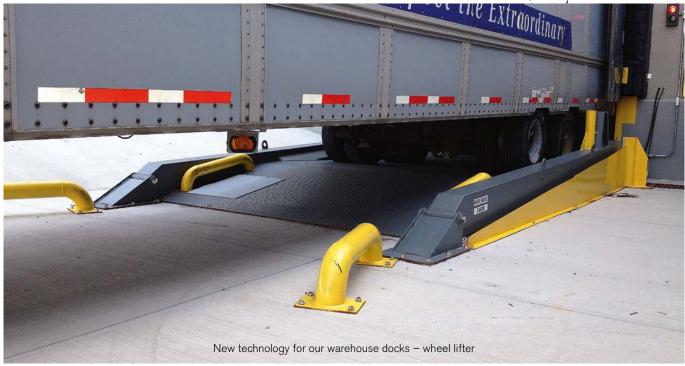
The recessed wheel lifter raises low profile trailers, or ridge trucks up to dock level, assisting with loading and unloading.

Chillers

40% of the existing Westney Road footprint is being retro-fitted with a 5,000 pallet chiller operation; all part of our desire to further invest in best-in-class food-chain logistics. With the backing of a significant Australasian food company, entering the cool chain sector is now a possibility.

On completion, specialised zones within the Westney Road development will represent the next generation of managing fast moving consumables goods (FMCG), incorporating foodtype segregation utilising chiller, ambient, and tempered zones for storage and handling tasks.





Branch Managers Meeting Follow-Up

Some fundamental objectives were set at the New Zealand Branch Managers meeting to action during the current financial year, including:

- To make all our sites smoke free.
 So where team require assistance, start early to support them kicking the habit.
- To grow our revenues by 15%.
 To achieve this, we need to employ the same strategy for every aspect of the business: bring in new skills through training, focus on quality, reduce errors, claims, and all by 15% and the rest will come easily.

Focus on Velocity (or Find Efficiency by Speeding Up Our Processes)

If you look to F1 high performance car racing, it is all about velocity, where their single focus is all about "How to make the car go faster", which naturally drags efficiency along with it

If we focus on a single strategy of how to make our operations run faster, we will see reduced pressure on building larger buildings, less driver congestion, improved driver earnings, quicker adoption of technology, diminished wastage, and smaller despatch areas in warehouses allowing more racking space (which pays the bills), improved housekeeping, and on it goes. But more importantly, we will accelerate a better customer experience. We will be looking to everyone's input as we focus on this strategy this year, which will take all businesses to play their part.

Remember at PAT meetings to challenge ourselves, how can we safely make our processes faster. We can't run a large enterprise with unchallenged and outdated processes inhibiting our ability to grow

Branch Recognition

The Logistics branches at Kahu Street and O'Rorke Road in Auckland, and our Dunedin branch continue to be our rocks; week in, week out. Manu Street Auckland is our most improved and is showing all the potential this team possesses. Haytons Road Christchurch had a mountain to climb, with a new building and higher overheads, and is starting to show early promise. Westney Road's courage is recognised; managing huge disruption and the added responsibility of pioneering the business to new levels of FMCG excellence. Owens Christchurch – it's time to be number one again and overtake the others, and Railway Lane and Neales Road the challenge to find profit sits with each of you.



Craig Evans (left) congratulates Geoff Baird, Branch Manager of Logistics Dunedin, on achieving his 30-year service anniversary!

The Four-Year Cycle

One lesson we have come to understand in Logistics is the economic cycle dictated by a rapidly growing fixed cost business. When you fill every building over a three-year period and extract every possible return, you quickly arrive at a decision crossroad. Turn left and do nothing and maintain satisfactory returns, or with courage turn right and grow again into new facilities seeking extraordinary returns. Christchurch and Westney Road are testimony of the latter decision path; that's who we are, tempered by pain for long-term gain. We appreciate all those that help us to turn right!

Mainfreight Air & Ocean - Ben Fitts

t's hard to believe that we are half way through 2014 already; the quiet season seems to be a thing of the past! The year so far has been full of excitement with a number of interesting projects carried out – the next few pages make for fascinating reading!

Thank you Team, for your continued energy, passion and commitment to our business. It is your ongoing enthusiasm and focus that keeps us moving ahead. Although the last financial year seems a distant memory now, a quick recap shows improvement in revenue, gross margin and EBITDA. A great performance all round with nearly all branches achieving their pledges for the year – well done!

This sets the standard for the year ahead, and although it has started well, we need to focus on the areas of our business that can improve.

We must come to work each day with the view to be better than yesterday.

We have set an ambitious goal for the next five years. We're aiming to double in size – now that's a challenge! Broken down that's 15% growth year on year.

To achieve our goal we must be 15% better in everything that we do, and we must seek out ways to achieve these improvements:

- Operational Excellence We must deliver exceptional service, every time, no exceptions.
 - Remember the focus always goes to the black dot on an otherwise white sheet of paper.
- Account Management and customer relationships.
 - We must offer true value to our customers

- Shipping line and airline relationships.
 - Treat our partners as we like to be treated ourselves; we need each other if we are to be successful.
- New business focus and sales growth.
 - Aggressively hunting out new opportunities and earning full support from our current customers
- Relationships with our Team overseas.
 - Look after our brothers and sisters around the world
 - As part of a global family we have a responsibility to provide excellent service to each other and to each other's customers.

Thanks again for your continued energy, passion and commitment, good luck for the year ahead. Hang on tight, it's going to be an exciting ride!



Military Vehicle Loading - Annette Webb

Five vintage military vehicles recently left New Zealand on a special adventure to Europe. Hundreds and thousands of visitors from all over the world will join together in June for the 70th Anniversary of D-Day and the Battle of Normandy.

The vehicles are owned by members of the New Zealand Vintage Military Vehicle Collectors Club and will be joined by other enthusiasts from Australia. They are set to cover over 4,000kms, camping in countries all over Europe. They will start in Sicily travelling through Italy, Croatia, Austria and Germany. The journey started over Easter and will have taken eight weeks by the time they reach their final destination Normandy, France, where D-Day landings took place.

The vehicles arrived in Tauranga in February from all over the North Island to be specially packed for their long journey. Prior to the vehicles being loaded the public had an opportunity to view these unique vehicles at Classic Flyers in Tauranga. Our expert freight team loaded the military vehicles into two 40 foot Hi Cube containers and carefully strapped them into place to ensure a safe journey. The container departed New Zealand for Europe at the end of February.

They will return back to New Zealand from The Netherlands at the end of their journey.

The Warehouse and Mainfreight Dig Deep for the People of the Solomons – Mark Glover

In early April the Solomon Islands received a catastrophic blow to this already fragile country, with massive flash flooding followed by torrential rains that took many lives and also destroyed the livelihoods of 52,000 people.

World Vision has a strong presence in these islands, so were able to mobilise quickly with people already in the area. But the need was enormous, so a call was made to The Warehouse to ask for help, to assist these people to survive the immediate risk and also the longer term rebuilding phase.

As a company known nationwide for

its big red sheds only to be superseded by their bigger hearts, they mobilised tens of thousands of free goods as well as calling on help from their staff to get the urgently needed supplies to the Solomon Islanders.

A 40-foot container was organised with the help from another kiwi company with a huge heart – Mainfreight. Both companies reprioritised their work to help those in trouble, and filled the container with blankets, tarpaulins, cooking equipment, nappies, baby soap and a myriad of other essential items that had literally been washed away.



Pictured loading the goods are left to right:
Paul Walsh, Executive GM Community and Environment,
The Warehouse; Chris Clarke, CEO World Vision;
Mark Glover, Export Sea Freight Manager, Mainfreight

The current death toll is 22 with 10,000 people still in shelters; with this help from these two iconic kiwi companies, Solomon Islanders can now look forward to a brighter future.



Balloons over Waikato - Greg Waylen

The ASB Balloons over Waikato Festival was held in March 2014. This is the largest event held in the Waikato area with over 80,000 people attending the Saturday Night Glow (this is even larger than the National Field Days!).

Mainfreight Air & Ocean Hamilton was successful in gaining the business and arranged all the importing, exporting and domestic distribution of the envelopes (the hot air balloons) and some of the baskets, from a number of locations spread far and wide from USA to Perth, Australia. There were a number of unusual balloons from the "Humming Bird" to the most popular, "Angry Bird". A huge vote of thanks goes to Amber Woodward who handled the imports, Mike Dunn and his CFS team in Auckland for the handling of the MPI inspections, and to Chris Carmichael for exporting the balloons on to their next event. Such a great job was done by all, we are pleased to advise that the Balloons over Waikato Charitable Trust has confirmed we will handle the business again in 2015.

War Birds over Wanaka - Natasha Jacobs

Over the Easter break the Kiwi Shipping Teams from Wellington and Christchurch were privileged to attend "War Birds over Wanaka" in the beautiful South Island.

This event is run every two years and has a fantastic display of aerobatics, World War I and II aircrafts, helicopters and New Zealand and French Air Force planes. These are all operated by some very talented pilots from across the globe, who all travel to Wanaka for this huge event.

Our team consisted of Steve Curle, Chrissy Douglas, Darren Jerard and Natasha Jacobs who worked the show for three days helping to get our Mainfreight Kiwi Shipping brand out to new and existing customers.

We were very spoilt by a lot of our current customers, one especially Robert Duncan who let the girls sit in his very famous 1934 Duesenberg once owned by the Hollywood actress Carol Lombard (wife of Clark Gable). www.warbirdsandwheels.co.nz/1934-duesenberg



There was a lot of mixing and mingling with new potential customers and even some extra show duties which included Steve taking a ride with Robert Duncan in his water tank truck to hose down the runway after every air display.

Overall it was a fantastic weekend and we found that our presence at the event proved to be very successful and well received. Now bring on the freight!



Steve Curle & Natasha Jacobs meet some of the Wings over Wanaka enthusiasts

Asia Bus Tour - Elaine Wong and Greg Waylen

Greg Waylen and I were fortunate to be selected to go on the recent Asia Bus Tour. This included Branch visits to Shanghai, Shenzhen and Hong Kong. The purpose of this trip was to see how other branches operate and what challenges they may face, and see if we can find solutions when problems arises. Also, to actually meet the team is the most important part of the trip.

To be able to understand their processes for imports and exports is very valuable as we are able to bring this knowledge back to New Zealand to share with our team, and can also give our customers an insight of what is required, as we have seen this first hand.

With Mainfreight in New Zealand having been established for over 35 years, and with the full supply chain in place here of Logistics, Transport, and Air & Ocean – Mainfreight is everywhere. In Asia, most branches have only been operating for 10 years or less (apart from Hong Kong and Shanghai), and have very little in the way of trucks or big branding like we have, so it is much harder for them to get themselves established with the bigger customers and they rely on the other branches around the world to provide leads and also routed cargo.

Greg and I were well looked after by all three teams in Asia and we felt right at home. So well looked after, that Greg put on 2 kilos in the five days we were in Asia and still hasn't managed to lose that weight.



L-R: Elaine Wong and Greg Waylen at our 3PL warehouse in Hong Kong

Mainfreight Automotive UK to NZ Car Service – Jake Pascoe

With Mainfreight Automotive successfully offering its services from the United States for a number of years now, an exciting new venture has begun for the team. December 2013 marked the automotive operation's new venture into unchartered waters. Over the past two years, New Zealand has seen a significant rise in the number of cars being imported from the United Kingdom to New Zealand.

With import numbers growing, especially around the high end car market, this has given Mainfreight Automotive the perfect avenue to start its new inbound service from Southampton to New Zealand.

We had to come up with something new that gave us a real advantage and a point of difference. With our USA operation having vast experience around car shipping, we have managed to translate the same racking system across to the UK and pack four cars in our containers. Managing to do this not only gives us more capacity around volumes, but also reduces costs for us that we can pass on as savings to our customers. In addition, Mainfreight Automotive has also partnered up with a strong shipping line from the UK, giving us a weekly schedule into New Zealand allowing us to be nimble, and take this trade by storm.



With our great Mainfreight network of people there is no reason for the Mainfreight Automotive team not to become the priority shipper and known name in the Automotive market.

Mainfreight Teaches Penguins to Fly - Paul Riethmaier

On 26 March 2014, the Air & Ocean Perishable teams in Melbourne and Auckland were involved in a joint project to safely transport 12 Gentoo Penguins from Kelly Tarlton's in Auckland to Sealife Aquarium in Birmingham, UK. The long flight time of around 48 hours ex Auckland to London required a stopover and posed some challenges around keeping the Penguins safe and healthy in a temperature-stable environment.

Greg Giarratana from Mainfreight Air & Ocean Melbourne, in consultation with the veterinary teams at Kelly Tarlton's and Melbourne Aquarium, designed and created a purposebuilt insulated "chiller crate" with its own built-in refrigeration units to assist in the safe transfer of the birds to their new home in Europe.

The project ran well with Antoinette Ward and the Auckland Perishable Team co-ordinating the transfer of the birds from Kelly Tarton's to the airfreight facility at Auckland for loading, final veterinary checks and quarantine document preparation. This involved the birds transferring in Mainfreight Auckland Metro's chiller truck, loading of the birds into the specialised crate and the final transit of the crate to the airport for loading onto the Singapore Airlines 747 Freighter. The story attracted a lot of media interest in the UK with the BBC electing to include this project in an upcoming documentary series called "Animal Movers". This will be shown in August in UK and Europe.

Electronic Sign at Westney Road: "Who said penguins can't fly?

Mainfreight makes it happen!"



Greg Giarratana from Melbourne with the purpose-built penguin pens



"Big Ben" - Bentec EURO-RIG - 450 Rig Project

The scope of this recent project was to ship a brand-new, land-based oil drilling rig from its manufacturer in Bad Bentheim, Germany through to site in New Plymouth, Taranaki, New Zealand.

The rig consisted of 98 packages, weighing a total of 1,390,327kg with a volume of 5,558 cubic metres of cargo.

Timing of the project was critical (every lost day's drilling would cost our customer tens of thousands of dollars), so both the charter vessel and charter terms were very

specific. The vessel "Rosaire A Desgagnés" was chartered; a multi-purpose, general cargo vessel, under instruction to load in Rotterdam and sail direct to New Plymouth.

The team at Mainfreight Rotterdam, particularly Jacco Wijker and Myckel Hoogendijk, were instrumental in ensuring that each piece of cargo was received into Rotterdam Port, cleaned and prepared for loading. Given the European winter temperatures, this was no minor achievement and almost all cargo was received, cleaned and loaded without issue – top effort boys – well done!



Thorough planning by the vessel's captain and an extra load crew saw the vessel escape Rotterdam hours before the arrival of a major winter storm and she set sail across the Atlantic Ocean, arriving into New Zealand in 37 days.

Meticulous planning by our local New Plymouth Transport and Air &Ocean branches, and local stakeholders including border control, port authorities, ship's agents and our customer saw the vessel arrive with all customs and MPI formalities complete and a detailed plan in place to ensure all cargo was discharged off the vessel using the shore crane, directly on to one of the waiting truck and trailer units or heavy haulers or low loaders, checked for damage and dispatched straight to site. Our team of skilled

3

operators, including Tony Martin and Shannon Emmerson from Transport and Rebecca Le Prou from Air & Ocean saw that no stone was left unturned throughout the planning phase.

Weather was on our side for the discharge and the vessel was fully unloaded within 48 hours of arrival, all cargo received in full, ahead of time and free of damage. Great outcome!

As always, the only measure of success is in the eye of the customer and feedback we have received from them suggests the job was done well. Great effort team - well done!



After winning New Zealand Branch of the Year, Elaine Wong (Branch Manager of Air & Ocean Christchurch Seafreight) was treated to a surprise party on her return to the branch from her trip to Asia.

Although we tried to put a great amount of preparation and deception into planning the event it was nearly undone by one of the team members sending an email outlining the "surprise" event to the branch managers, including Elaine. After some sweet-talking to the IT department we were fortunate to get the email deleted from her inbox before she opened it. Apart from that slight hiccup, the event was a hit! Present were Elaine's family and also her Mainfreight family from all divisions. A big thank you to the team for organising the event!

Congratulations Elaine and Mainfreight Air & Ocean Christchurch – we are very proud of you all!

Owens New Zealand - Kevin Babbington

et another financial year comes to a close and we are very pleased to report that Owens Transport New Zealand has finished well ahead of last year.

A satisfying result from all the Owens New Zealand branches, with everyone finishing up ahead of the previous year – Auckland, Auckland Metro, Tankers, Wellington and Christchurch. Well done team!

We have certainly had our work cut out for us this past year. No roads travelled were easy and the "Pot of Gold" is getting harder to find. Even though all of our Transport branches made it across the line, the last financial year was an all in battle/ brawl with input required from every team member nationwide to protect our patch, by not only ensuring our existing customers are well looked after, but also attacking the market and hunting out new opportunities. These new, and sometimes substantial, opportunities are now starting to filter through our

operations adding much needed revenue in order to assist us to reach our \$8 million profit pledge this year.

We have seen a lot of stability this year in terms of team and numbers around the branches especially in our sales force with two very hungry and aggressive sales teams; one in Auckland led by Hamish Quinn and the other in Christchurch led by Alicia Coles. These two teams have been relentless in their goal to be number one this year and will not take a backward step in their quest for top billing.

August 2014 will see our two Auckland Metro businesses (Mainfreight and Owens) combine and move to new premises in Onehunga. This long overdue initiative will see us flex some serious muscle in the local Auckland market and the synergies we will gain from having these two very strong businesses in one camp but still operating as separate brands is exciting to say the least, so watch this space.

Our Christchurch Transport team led by Owen Donald just seems to get better and better regardless of the many obstacles put in their way. Their commitment to success and to each other over recent years has been fantastic, and the branch has a great vibe which is also helped by having the Air & Ocean and Port Ops teams on site as well.

Lastly, please don't forget we have a great team at Owens Tankers based in Wiri, South Auckland, dealing in bulk fluids - domestic and international. Please make the effort to visit the branch and say hello to Tom and his team if you are passing and think about what customers you have in your areas that may need a bulk liquid solution.

Things to do better this year:

- Take responsibility from the first customer contact
- Be generous to your brothers and sisters
- Smile! (it doesn't cost anything)

Owens Premium

Owens Premium was launched on 7 April 2014 and is our first-class service between Auckland and Christchurch, boasting not only a speedy 48-hour transit into the main centres of North/South Island BUT also an overnight capability.

The service is the product of a much needed overhaul of the former Owens Guaranteed service. Owens Premium is about prioritization of customers' urgent freight with a personalised service.

Owens Premium puts our customers at the front of the queue, with our experienced drivers always acquiring the best spot on the ferry so they are able to get off quickly on the other side. This helps our unit beat other express units

into Christchurch! With every step of the way carefully calculated, we are able to deliver this first-class service showing Owens Transport does have a point of difference and that our service is truly second to none.



Eddie Tuhakaraina taking Star of the Month parking very seriously



One of our sharp Tankers units
Owner Driver: Guy Small - Driver: Brian Keogh
The above is a truck and 3-axle Class 8 compartmentalized road
tanker. This is an Auckland based unit that transports Class 8 for
several customers.



Australian Group - Rodd Morgan

that last financial year we have again achieved reasonable profit growth with nearly 17% improvement in our bottom line. Thank you to those members of our team who continue to strive to perform better than our competition. It is your efforts today that will see our business continue to be successful in the very long term.

We are however, less happy about our sales growth where Australian revenues improved by approximately \$31 million. This is only 6% better than last year and simply must improve. Although the removal of the parcel/carton freight from our Transport business temporarily affected our growth, we must remember that we are striving to grow by a minimum of 15% every year.

Irrespective of what part of the business you work in or what job you do, it is the responsibility of every one of us to play our role in growing our company. That may mean simply doing your job to a high standard so that the quality of service we give to our customers is better than our competitors.

Please remember, giving our customers great service is a non-negotiable requirement of each and every team member. This means that we must each perform our specific role in the business properly to ensure that our customers' freight is delivered in good condition where and when it should be. This applies right across Australia.

We demand of ourselves that we purposefully strive to be a business that our customers (and our competitors) say is the best in the world. If you see team members that are not doing the right thing, then we hope that you take it upon yourself to

tell them to lift their standards. Pressure from all of us to improve behaviour is still the best way to get our business to the level we expect.

The reality is that our growth will accelerate in line with the level of service we provide to our customers.

We wanted to take the opportunity that this midyear newsletter offers, to reiterate that the image we project to the public is possibly the most important thing we have. This applies to every part of the business. The way we present ourselves, our buildings and our equipment - especially our trucks is critical. We must develop a culture that sees us have outstanding presentation every day, everywhere. Without vast improvement in this aspect of our business, not only do we have a reduced chance of success - we in fact have no chance of success. Let's have each branch compete against each other to see who has the most breath-taking presentation.

Our philosophy of making decisions that will help the business succeed for the next 100 years or so, has never

been better exemplified across Australia than over the last year. After years of careful planning, we have seen the completion of no less than nine major property developments that cover all of our brands in all of the states that we operate in. Although probably overdue, these developments are purely driven by our good growth over many years and also our desire to have the best possible facilities so our team have the opportunity to provide great quality of service to our customers in the most efficient way. Our ability to continuously search for better, more cost effective ways to handle freight, is key in keeping our costs under control. This is the only way we can keep the prices we charge our customers at competitive levels.

Finally, thanks again to our team for your contribution to our financial performance last year. Please don't forget though, we need to find better growth and presentation this year. Our company's success is directly related to the quality we provide and the continued growth we generate.

Thanks Team.



Dangerous Goods Co-ordinators course April 2014 Melbourne: "The Avatars"

Tristan Kirkham Albury, Brad Greer Epping, Jordan James Epping, Daniel Martin Noble Park,
Dale Cranston Noble Park, and Matthew McLeod, Scott Jones,
Steve Cornell and Katrina Miller all from Chemcouriers Melbourne

Mainfreight Transport Australia - Bryan Curtis

e are pleased to report that the results of the Transport business in the last financial year show a healthy increase in profit over the previous year, despite only moderate revenue growing growth This is a great effort team, particularly given the amount of business lost as a result of our decision to remove parcels/cartons from our business, and is a reflection of all your efforts over the last year. Thank you.

We have again set ourselves a challenging profit target for next year, significantly up on last year. With a new purpose-built facility in Brisbane, renovations to our existing Adelaide facilities and extensions in Sydney, we will be able to offer our customers the highest level of quality possible in Australia.

In addition to the above our Geelong (Victoria) team have moved into a new building and our Campbellfield team (Northern Suburbs of Melbourne),

along with our Metro team have recently moved some 5.5 km up the road into an almost brand new facility.

These facilities come at a cost that we must recover by being more efficient in the way we handle and move our customers' freight and by doing things better today than we did yesterday. We must all work hard every day at continuously improving our quality, the presentation of our facilities and our trucks, and just as importantly constantly striving to improve ourselves both mentally and physically.

Over the last few years our focus has been, and continues to be, on improving the following Key Performance Indicators:

- DIFOT of at least 99%
- Reducing our Top-Ups and the amount of outside hires we use
- Ensuring proper use of our Depot Systems
- Managing Linehaul arrival times

- Outturn Error statistics
- Debtors %
- The amount of extra revenue derived from remeasuring and reweighing our freight
- Delivery Scanning %
- Data Integrity the accuracy of information and timeliness of entering this information into our system

Whilst the above may seem like too many to focus on at one time they are very important indicators of how we are performing and are the responsibility of all of us.

The next six months will be a challenging period for us as we fight to hold margin and to extract the maximum lift in quality that our new facilities can provide. The rewards will be great for both our teams and our customers.



Mainfreight Logistics Australia - René van Houtum

own Under the winter has commenced and the temperatures have dropped after many summer days of more than 40 degrees. Meanwhile, Mainfreight Logistics hasn't cooled down at all and is going full steam ahead!

The financial year has just ended and it is great that we have realised growth figures above 20% for the second consecutive year. The first month of the new financial year continues to show similar growth figures! Dealing with this growth is a challenge itself, but on top of that we managed to move 25,000 pallets to new warehouses in Brisbane and Sydney and overflow locations in Perth and Melbourne. We acknowledge the dedication and the amazing effort that the team has made to make this happen. It is highly appreciated that the entire team have spent many hours on the weekends, evenings and nights at our warehouses to manage these moves without, or with minimal, business interruptions to our customers. A big "thank you" to all of you!

Promoting from within and challenging the team to continue to learn during their entire career, are some of Mainfreight's strong cultural aspects. After more than 10 years being active as National Business Development Manager, Brad Greer has moved from Logistics to Transport to take up the Branch Manager's role of the rapidly growing Stubb Street branch. Aladin Basic, one of our previous graduates, has taken over Brad's role. Aaron Bond has come over from the National Training Team to succeed Colm Scully, who has managed the

Sydney Road branch for more than four years and is now moving to Europe. Karl Rutherford has taken over the Branch Manager's role at Prestons from Kris Maddaford, who has moved back to Mainfreight New Zealand. Karl is now managing a 25,000 m2 warehouse facility in Sydney. Good luck to all of you in your new roles!

"Never a dull moment" is a statement that we have used a couple of times in the last few months. The question is, "are we looking for a dull moment"? The answer is NO, for the very simple reason that we must keep the momentum going. Both our brand new locations in Larapinta, Queensland and Prestons, New South Wales are high quality warehouses that give us a lot of growth opportunities at this moment. In other states we are developing similar growth opportunities. It may even sound like a contradiction, but even with growth figures of more than 20% year-on-year, we must remain focussed on sales and growth. The growth target for this financial year has again been set to 20%. Let's go for it...!!!

It is great to see that the Prestons team has successfully implemented their first new big account in the new financial year and nationwide the business development team is working on a relevant number of interesting opportunities. At the same time, and that is the challenge we are facing every day, we must keep our quality of service to our loyal customers at a consistent high level!

Continuous improvement is key in our business and we should not be afraid

of making changes. With the move from Hemmant to our new Larapinta warehouse, we now have recessed docks at our disposal. Since the move, not one container has been swing-lifted off a trailer; all containers are being unloaded by using the recessed docks and the goods are being put away directly into the racks creating a better flow in the inwards process. Another advantage is that we are not utilising the scarce space in the breezeway.

In our new Prestons extension we have created a mezzanine area above the docks/staging area, allowing us to execute rework activities and a fine-picking process for one of our customers, which saves space in our main warehouse. These are two examples of simple innovations that keep us ahead of our competitors.

Our Training Team continues to provide health and safety training to the team. However, we must not forget that health and safety is everybody's responsibility and often a case of common-sense. The Positive Action Team (PAT) meetings must be used to discuss accidents and near misses and to suggest opportunities to create a safer environment. We want a safe environment for our team and we simply strive for zero accidents!

It is hard to believe that the first half of this year has already passed and that we are close to starting a new silly season. Good luck to the entire team with the massive workload that is coming up. With your help we are going to make this year as successful as last year.

Sydney Road (Melbourne)

Our Sydney Road Team are the proud recipients of the Branch of the Year Award this year. The branch always looks spotless and is a great example of how we would like to run every branch within Mainfreight. Well done team, a great achievement which was thoroughly deserved after your hard work! Also in the picture on the left, Aaron Bond who is replacing Colm Scully. Colm has decided to take up an MBA study in Barcelona. To both Aaron and Colm, good luck with the interesting new opportunities that have crossed your path and to the team, good luck with the challenge to become the first Mainfreight branch in history that wins the branch of the year award for two years in a row...!



The Branch of the Year Team of Sydney Road
Back Row L-R: Motu Tofa, Nemanja Ridesic, Colm Scully, Nick Dinneen, Mile Jovanovski
Middle Row L-R: Aaron Bond, Riordan McCarthy, Rohan Barlow,
Ville Sarameri, Valentin Teles, GeoffPeatling
Front Row L-R: Aleksandra Jovanovski, Tyler Scarce, Rachel Grover, Erin Icbudak



Riley Tryhorn with one of the new mobile workstations

The new flexible storage location cones at Laverton

Smart Solutions across Our Business

The **Noble Park Melbourne** team (in conjunction with our friends in IT) has pioneered the use of mobile workstations in the branch. These "desks on wheels" are fully equipped with twin monitor PC's, laser and label printers and are able to move anywhere around our business — requiring only a single power point to be fully functional. All equipment, including the printers are wireless,

so the infrastructure costs of getting computers out into the warehouse drop dramatically, with no data cabling needed.

At **Laverton Melbourne** branch another simple solution is working well. Laverton is a bulk storage facility and had the challenge of finding a suitable flexible option of barcoded location marking. The type of cones that were being used were absolutely

hopeless as you couldn't see them very well when pulling freight out of a location and more often than not, were being run over.

Paul Fraser came to our rescue with his solution. These cones come with a header plate that the barcodes are inserted into, and are at a height that can be scanned from the forklift seat. Plus we think they make the warehouse look a million bucks!

Prestons (Sydney)

Mainfreight Logistics in Sydney has undergone a massive face-lift in the first half year. The Moorebank branch has closed and we have moved the customers to a brand new building at Prestons, adjacent to our existing warehouse which effectively means an increase of storage capacity with 4,000 pallet spaces. Thanks to the team for making this happen with long working days, evening and weekend shifts.

The Sydney teams have done a massive job and everything is in place now to realise further growth in the very near future!



Larapinta (Brisbane)

On May 13th we closed down our Hemmant warehouse in Brisbane, having been there for more than 14 years! All activities were moved to our brand new Larapinta site, a beautiful super-site that we share with Mainfreight Transport and Chemcouriers Teams.

With more than 13,500 pallet spaces available in Mainfreight blue racks, this is a very professional, high quality food grade warehouse that enables us to further grow our Queensland activities. The walls are constructed





from specialized concrete walls with insulation keeping the warehouse cool even in summer time. The cool room enables us to store premium products at an ambient temperature at all times.

The team moved in a total of 193 B-double truck loads over a short period of time, during evenings, nights and on the weekends. A great effort team, well done!

There is no need to swing-off containers anymore. Containers are unloaded using one of the five recessed docks and the products go straight into the racks. Not having to use swing lifts for containers also reduces traffic-congestion in the breezeway.



Containers are now being unloaded using the recessed docks

Note from Maxime Charon

For a long time, I wanted to go to an English-speaking country and the two easiest places (to get a Working Holiday Visa from France) were Canada and Australia.

The main reason why I chose Australia is that I knew that one of my previous companies, Wim Bosman France, had been bought by Mainfreight which is a New Zealand enterprise located in many places, including Australia.

So I asked Brigitte Herbomez, the Managing Director of Wim Bosman France, if she knew someone from Mainfreight in Australia. She gave me the contact information of René van Houtum, the Mainfreight Australia National Logistics Manager.

When I had René on the phone he asked me where I was (I visited NSW, VIC, SA and QLD during two months) and he gave me the phone number of Paul Fraser because I was not so far from Brisbane. I got a job interview the following week and a positive answer one week later!

I started to work for Mainfreight Logistics and I have participated in the warehouse transfer between Hemmant and Larapinta. At the moment I'm doing office work (printing/finalising orders, checking/ sticking labels on goods) and I will start soon to work on the procurement of the food certification.

I like the fact that we are more than "just" colleagues; I went to the stadium to see a rugby league and soccer match with colleagues and I am sorry for my football-lover workmates from all over Australia, specifically Sydney and Melbourne, but our team of Brisbane Roar FC is CHAMPION of Australia!

I feel that my English is improving even though my Logistics team members have been teaching me the local jargon.

When I go back to Paris I will try to work in international freight transport, because it's what I studied and what interested me the most, so it might be



nice to work in Transport in Australia one day (hint hint).

Because I will become famous with this article, I would like to say that "I think ALL DAY and EVERY DAY of my friendly colleagues working in the Larapinta Warehouse Team and it's "ALL GOOD".

Merci, Maxime Charon May 2014

Mainfreight Air & Ocean Australia/CaroTrans Australia - Steve Thorogood

both challenging and rewarding.
Challenging, in the way that we continue to confront price competitiveness in trying to win business in the international arena.
Rewarding, in that we have continued to work hard and with passion and drive in the marketplace, to grab opportunities and grow our business

and at the same time invest in our team and facilities around the country.

At March year end all our branches finished ahead of last year and our congratulations go to all our teams for working hard to achieve these results. Revenues increased, but more pleasing was the significant improvement in operating profit over

last year's results. This was achieved through sales growth, cost control and maintaining margin even under extreme pressure.

We had some good sales gains in the past year and these have put us in a good position for the start of this financial year.

Perishable Freight Business

Our Perishable operations have been further enhanced this past year with our Melbourne and Sydney operations expanded and our new Brisbane Perishable facility now open for business, providing us with a Perishable footprint along the Eastern Seaboard of Australia. Perishable opportunities in Australia are not just export, as we are seeing more and more imports coming into this country of perishable products.

The facilities now are:

- Melbourne 1500 m² comprising 3 chillers, 3 freezers and temperature controlled marshalling/handling area.
- Sydney 745 m² comprising 2 chillers, 1 freezer and temperature controlled marshalling/handling area
- Brisbane 940 m² comprising 3 chillers, 1 freezer and temperature controlled marshalling/handling area



The Perishable facility in Brisbane is just one part of the new home for the full Air & Ocean operation. The efficiencies we will achieve through this move, the benefits we will be able to offer to potential and existing customers, and the opportunities the new home will be able to open for us are very exciting for our team.

Sales Awards

This last year has seen some good sales efforts continue from our team with many reaching their personal goals. Well done to those that reached their goals and special congratulations to Jade Fogwell (CaroTrans Sales Executive of the year) and Lisa Laing (Mainfreight Air and Ocean Sales Executive of the year). Full details of this year's Sales and Branch of the Year awards appear later in the newsletter.



Jade Fogwell, CaroTrans Brisbane receives her award from Tony Naumoff (left) and Steve Thorogood

Lisa Laing, Mainfreight Brisbane receives her award from Brendan Ryan (left) and Steve Thorogood

Crocs to Dubai

Team meet Jock and Missy:

Jock is a 5 metre male saltwater crocodile weighing 750 kilos.

Missy is a 3 metre female saltwater croc weighing 250 kilos.

Originally only Jock was going to Dubai, but he requested that his girlfriend also be allowed to migrate to Dubai or else he would not eat for a minimum of 6 months up to 12 months (this is a fact).

Mainfreight was awarded the task to move the crocs in June 2014 from Rockhampton in Queensland to the Dubai Mall in Dubai, U.A.E. We were up against many other forwarders for the project and were successful because of our "thinking outside the square" to come up with a transport pen that maintains the welfare of the crocodiles.

Crocodiles can die at temperatures that are outside their normal range of



17°C and 35°C. Therefore Mainfreight had to design a pen that could tackle the Australian winter weather in June (overnight lows below 17°C), and Dubai daytime temperatures of up to 49°C.

Apart from temperature control, the pen also had to be very strong, as crocodiles have strength beyond your imagination, so we had to reinforce the box. Another challenge is how to get the pen to the second floor of the mall by towing two crates behind a vehicle through a car park. Still, Dubai wants one of the largest crocodiles in the world for the largest mall in the world and Mainfreight is charged with the responsibility to make it happen!

Things we need to do better this financial year and beyond:

- We must continue to be aggressively selling in the marketplace and grabbing those opportunities, with a particular focus on our core products and our core trade lanes.
- Focus on quality improvement across the business, operationally, financially and in customer
- relations so that we get it right and are "easy to deal with". Continued strong retention of our customers will come with exceptional service.
- Continue to hold margin at acceptable levels. We must ensure our service levels are beyond reproach and therefore our margins justified.
- We must be looking for innovative and proactive ideas to deliver to our customers, to enable us to improve our relationships at all levels.
- Continue internal training to enable our teams to grow their skills and knowledge, and expand their opportunities to progress.

To the Mainfreight/CaroTrans team in Australia, a big thank you for your dedication, passion and drive during this past year. Let's ensure the gains achieved in the past year continue for us all and provide opportunities for our team in this financial year and beyond.



The Shenzhen team hosted several visitors from the Australia Air & Ocean team during the April 2014 Asia Bus Trip

Owens Transport Australia - Cameron Clode

We are entering an exciting time in our short history in Australia. Financially we are not quite where we need to be but recent indications show this will turn quickly. We have moved into our new Sydney site, are close to having an agreement for a prospective purpose-built site on the port precinct in Brisbane, have commenced running a super 'B' double in Melbourne and have continued our strong growth in Perth.

At the beginning of May our Sydney team had the enviable task of moving into their new home in Sydney. This purpose-designed and built site is fantastic and raises the bar when it comes to property within the container transport market.

The site boasts 9,000m² of container rated hardstand providing storage space for up to 500 x 20 foot containers (TEU) including 20 reefer points. Containers will be reliably serviced by two container handling forklifts. The warehouse has 3,500m² of floor space providing storage for over 4,500 pallets, with a mix of racked and bulk stack areas. With a 750m² awning our customers' product



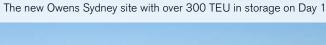
will never get wet when being packed,

unpacked or loaded onto trucks.

Within a short period customs bond and quarantine licencing will be obtained. Whilst we will not be servicing the Freight of All Kind (FAK) market we will offer a full suite of services relating to import and export containers.

With a kitchen and dining area capable of serving up to 30 team members at any one time, we will make sure everyone's hunger is satisfied. We welcome everyone to visit our new site and if you time it right you may get a nice healthy home-cooked meal.

We have progressed our review of property options in Brisbane. With less than a year left on our current lease and our container yard looking a little ragged we are negotiating a new home within the port precinct of Fisherman's Island, Brisbane.







Our new Super 'B' double set in Melbourne with two 40-foot containers

This new site will deliver much needed improvements and will replicate our new Sydney site. Upon completion we will see benefits such as the ability to operate Super 'B' and or 'A' doubles (ability to move up to 4 TEU per trip) and increase our weight limit to 109 tonne gross. These operational efficiencies will undoubtedly improve our service offering and by combining our current two sites into one, we will remove duplicated costs and enhance our safety.

Our team in Melbourne have settled into our open-plan office. It is amazing what a lick of paint, knocking down of a few walls and rolling out new carpet can do. We have achieved in Melbourne what we have been unable to do elsewhere (up to this point) and acquire a super 'B' double. Overcoming many challenges and strict legislative requirements, approval has now been granted for us to operate the super 'B' double between the ports and our site at Laverton. We will look at expanding the routes the vehicle can travel in the near future. This could not have been achieved without tremendous effort by our owner driver in Melbourne and is an example of what can be achieved if we are focused on achieving our goals.

Nearly three years has passed since we opened our Perth branch. Our expectations of a successful and profitable branch are well underway. We have reached the top ten container transport carriers in terms of volumes and vehicle numbers and now we must aim to reach the top five. Our team's efforts in laying solid foundations and a continued focus on quality customer service will help us achieve this. Through this next phase we need to continually evolve with new ideas and the right infrastructure. Negotiations are underway to secure container hardstand in Fremantle along with appropriate container handling equipment. This will be an exciting and challenging time for our team in the West.

With the many exciting developments around the country we are raising the bar for quality in the container transport sector. By being at the forefront of innovation and quality our competitors will continue to lag behind. Our entire team needs to commit and contribute, not be a passenger. Without everyone on board we will be seen as just another container transport company.

Not only are we moving at pace with improved property infrastructure around the country, we are also investing in major repairs, rebuilds and replacement of our trailing equipment to ensure we have the right type, and quality of equipment, required for our future.

It is critical we have our fleet in our livery – red trucks, correct signage

and always clean. Our image sends a powerful, positive and professional message to our team, suppliers, competitors and customers. Please do not underestimate your contribution and update and upgrade where necessary.

Health and safety remains a focus for us all. Recently our team have undergone training in various areas to ensure we remain educated about our responsibilities. New and improved systems have been implemented, including a new drug and alcohol policy ensuring we are at the forefront of safety. We do not apologise for having stringent requirements and there can be no argument in having strong policies in place to ensure our workplace is a safe environment so we arrive home from work in the same condition we left.

We need to continually evolve as each day brings new and varied challenges. We need to look at our locations, types of equipment being utilised and ensure we have the best people as part of our team. Adelaide is on our radar and when we do land in South Australia we will truly have a national footprint (Sorry Tasmania....).

Thanks to our team, our suppliers and customers, we are grateful for your support and contributions. We hope you have enjoyed the journey so far – it is just about to get even better!!!



Mainfreight USA - John Hepworth

Snapshot of Global Air & Ocean Growth

ur Air & Ocean divisions have done well in growing across all products again this financial year. We have successfully brought focus to controlling our freight and moving it on shipping and airlines that we have a strategic relationship with. It is imperative this continues as the competition is not getting easier.

Sea Freight

- Imports grew 9%
- Exports grew 1%
- 21% of our TEU volumes both import and export is consolidations.

Airfreight

- Imports grew 16%
- Exports grew 11%
- Customs brokerage grew 13%

As our network continues to grow we must focus on our routed business and control good volumes of exports from all countries we are in. This allows us better opportunities to negotiate with carriers locally as well as globally. Thank you to the Air & Ocean team for another strong year; let's make sure this continues in 2014/15.

What is Ahead for Mainfreight USA in 2014/15?

This past year has been one of many distractions from resetting our focus, launching our new domestic software operating system, and creating a specialist sales team for our two products Air & Ocean and Domestic. We are pleased to report that despite all this, we have managed to finish ahead of last year.

The Mainfreight world probably doesn't understand the dramatic change we have completed in the USA; we have moved our whole business model from an airfreight forwarder (when we purchased Target) to a hybrid model combining a domestic freight forwarder with LTL capabilities, as well as creating a

specialist Air & Ocean team. We have kept our team intact throughout this change which means everyone has gone through a major mental shift to adapt to our new focus. We are very proud of our team, thank you.

Mainfreight USA - Domestic

Today in Domestic we have line haul operations running into and out of Canada from three destinations. In the USA we are now linking our six main USA branches together with weekly line haul. This line haul network continues to grow as our small branches pool together to create weekly line hauls to link with our main branches. A special thank you to our Franchises that stepped up and committed to being part of this, well done. We have more line haul planned in the coming months, but our prime focus is getting density in our main line routes so we can increase frequency and put on our own

Mainfreight Owner Drivers for all line haul moves.

Our local pickup and delivery owner driver numbers are continuing to grow as we drive toward our goal of picking up or dropping off our clients' freight for the first and final mile. All Domestic branches this year will have owner drivers in fully painted vehicles and in Mainfreight uniforms delivering freight.

During the financial year just passed, we successfully launched our Los Angeles Port Operations and we now have 20 owner drivers running off the LA wharves delivering our clients' FCL

freight. We will be looking at expanding Port Operations to other port cities this current year.

Our Logistic warehousing product has grown, and today we have over 70% utilization of our current warehouses. We continue to mature in this market as we understand the needs of the USA marketplace. Today we run two 4PL operations, and five Tier-one centers and eight Tier-two centers. The main focus this year is to establish in Los Angeles a "Showpiece" specialized logistic center as we move toward separating this product from Domestic to be our third product in the USA.

Mainfreight USA - Air & Ocean

In our Air & Ocean operations we have seen a strong performance throughout last year but the product needs more focused direction. We have established regular sea freight consolidations to Europe but this is

only the start. We have many airfreight consolidations around the world but again we need focus on our preferred trade lanes. This year we will be striving to establish strong trade lane selling with focus on our two main

markets of Europe and Asia. Obviously our home markets of New Zealand and Australia will continue to be a strong driver to our success. We want to establish a strong network throughout the USA with a well-trained team; based on this we are launching our Air & Ocean Training this year and expect to see strong improvements across the country as our teams learn to use the tools we have globally available. We want small teams in local cities, the strength of Mainfreight worldwide is **NOT** back-rooming operations but in

placing well-trained team members on the ground where our clients need us, so we can provide the local personal touch, something our main competitors have forgotten how to do.

The new areas of focus for this year are a major expansion of our customs brokerage and purchase order management products. These two products for Air & Ocean are like the "family doctor"; once you have your

customers ready to commit to these products they will lock in with you for the long haul which creates everyday freight. Our goal this year is to double our customs brokerage numbers.

It has been a struggle to reinvent Mainfreight USA to what it is today but we expect to see strong growth going forward and we are very proud of our team's achievement and commitment to this change.

A Mexican in Asia -Annabel Mahnke

I just returned from a week trip in Hong Kong and China, this was my first trip to Asia actually. So many questions from my colleagues and friends in Mexico and in the USA upon my return. What are your impressions? What surprised you? What weird stuff did you eat? I knew basically nothing about Hong Kong and China growing up or Asia for that matter. It wasn't until I started in this business that I learned that Asia would be an amazing place and culture to experience. I was daydreaming, never thought that in a last minute decision from the boss that he would send me off to Asia to learn more about the business and culture.

My trip began in Hong Kong, from the airplane the only thing that came to my mind was Legoland. Such a small area and so many huge buildings. I am used to crowds, but this was different and at the beginning was overwhelming and exciting at the same time. Michael Lofaro was kind enough to spend Sunday afternoon with me for a quick tour of the city, it was fantastic, from the subway to the market in Mongkok and finished up with a beautiful dinner along the harbor after watching the laser show. The following day I spent with Team Hong Kong, I never expected to be received so warmly. I thought everyone was going to be shy and maybe distant... how mistaken I was. During the day everyone was so helpful, very professional, great work environment and after hours a lot of fun.

My second stop was Shenzhen,



Annabel with her new Shanghai friends L-R: Andy Ling, Annabel Mahnke, Billy Zhang, Linda Huang

crossing the border by foot. What a difference of a "border crossing", I am used to crossing the border between Mexico and the USA, from a developing world to a first world country, culture shock - not in this case. I went from a great city to another one. Shenzhen reminded me of Atlanta, spacious and green. Reality hit in Shenzhen, probably the only thing I did not like throughout my trip... the bathroom!!! As soon as I arrived to the office, again I felt welcomed by the team right away. I needed to use the restroom, they told me where to go and I wanted to cry when I saw... a hole in the floor. I looked for some kind of power button that will make the toilette seat appear or something, it did not happen, I somewhat managed - it was not pretty.

Shanghai was my last stop – Wow, I was very impressed with the city; it was clean, modern and full of skyscrapers, each one seeming to want to outdo the others. The

Mainfreight/CaroTrans offices and team... just great. Here in Shanghai I had my very first Asia-Mexico/Global meeting with a customer, you cannot help but to feel important and that there are endless opportunities at Mainfreight if you work hard and produce. I also had the chance to meet and dine with Linda Huang, one of those moments when you feel very proud to be a professional woman. I could not pass on doing some shopping along with some serious haggling and of course experience the night life in Shanghai (on Saturday).

It was a fantastic experience, especially the team, they truly bleed blue – Mainfreight culture is absolutely embedded in each and every one of the team members that I met. I can't wait to be back and I know it will be very soon.

Frankfurt am Main(freight) - Aaron Nash

Travelling 220kmh with a two car-length buffer in between us and the car in front, I realized that this guy is alright in my book. I'm talking about our new Frankfurt (FRA) Branch Manager, Oliver Heck. I even managed to catch some Z's off and on until the brakes were frantically hit, waking me in a bit of panic, though a relief to Oliver's ears from my snoring. We, Mainfreight, have just opened our FRA branch right on the FRA airport, and as a German speaker I was able to head over in March to assist them.

Oliver and his Team of 4 are a small operation right now, but have a new sales rep coming on in June and another in July. We will need the sales reps, as Germany can be a pretty tough market to sell in. Often times, opportunities are given only after lengthy processes and through long relationships. I lived and sold there as a trade lane manager in a previous life with another forwarder, so I already knew what we were going up against. Because of this, one of our main missions was to convert some ex-agency customers over to Mainfreight and to go after some new freight opportunities as well.

I think it is very important for ALL to know that there are plenty of opportunities with current customers that we are simply unaware of. You have to remember that the agents work for us only when we ask, and just as we work for them only when they ask. I say this as we uncovered a few opportunities with customers we currently move freight for. These opportunities are controlled in Germany, but were never pursued by our agents, and through discussions and some rate negotiations, we have been given a shot at this new business, in fact we've already moved the first air export consignment.

Chicago and Frankfurt (ORD and FRA) have always been primary "sister city" hubs due to the amount of uplift in between the two cities. We are determined to keep it that way. With the relationships we have established and the will to make it happen, all we need now are the opportunities.

Oliver and I spent a lot of time together in the car while I was there. So much time together in fact that we now call each other 'Starsky and Hutch'. Yes, Germany is a much bigger country than most imagine. With new offices planned in the north (Hamburg/Bremen) and south (Strasbourg/Munich), there is so much opportunity out there for us, Mainfreight, in Europe's economic engine, das Mutterland, Germany.



Making History - Tom Valentine

In April, the National Sales Managers from Europe, Asia, Australia, New Zealand and the USA met in Hong Kong. The purpose of our meeting was to create visibility and alignment in our sales processes, capitalize on group program synergies, identify team member development strategies and create a management-driven direct client focus for expansion and new business opportunity.

The meeting delivered in all of these areas and we have already started on follow-up strategies. A few immediate actions to share here:

- Global alignment with GICS verticals (Global Industry Classification Standard). All clients will now be organized into a single standard of global verticals in Mainfreight systems
- 2. We now have six global targets that are trading with the Mainfreight Group somewhere in the world that we will be targeting for the USA group
- **3.** We have six big brand targets for the USA group that are not trading anywhere in the Group and have begun direct contact and dialog on national level already

USA Professional Sales Skills (PSS) Training!

PSS training is a significant investment in the USA and around the world. We trained all USA field sales, branch managers, product directors and executive sales team in January, February and March this year. In our desire to move from transactional and price driven relationships into consultative and strategic partnerships – we selected the PSS program as the tool to move our team "across the great divide".

We want to bring the voice of the client/customer strategically into our process and base our service and actions on their needs. This is the alignment that we have already seen contributing to our momentum, opportunity and sales growth.

Feedback from the USA sales team on their experience of using the PSS call planners and the results they are seeing have been very positive.

We are off to a great start and now must remain committed to disciplined use of the process! We are already planning for our next modules – Professional Sales Negotiations and Winning Account Strategies ... more to follow.

CaroTrans - Greg Howard

his year marks two significant milestones for the CaroTrans team – a record-setting results and celebration of CaroTrans' 35th birthday. What a great combination!



35 Years for CaroTrans!

Our team faced their fair share of challenges this year, yet through it all, they persevered to deliver the best performance in the company's 35 year history.

Key statistics include:

- Number of consignments handled increased by 9.5%
- Total number of containers increased 5.1%
- 13 branches posted better profits than the prior year
- Gross margin, ROR and profit all improved

While total sales revenue growth was flat due to a decline in FCL export revenue (the effect of record low global shipping rates), our export LCL revenue increased 4% and our LCL import revenue increased by 20%. Margin improvement in the export LCL product is attributed to several factors which include: improved cargo mix, better line haul procurement, increased volume in higher margin trade lanes, improved container utilization and sound pricing discipline.

We expect this trend to continue as the sales team focuses their attention on the higher margin LCL freight segment. FCL revenue improvement will depend largely on how effective the shipping lines are in implementing their various rate restoration initiatives. We will continue to increase our FCL container volume and grow market share to strengthen our market position.

Growth of our LCL import services is most noticeable in the Trans-Pacific eastbound trade between Asia and USA. When we first launched this service six years ago, we only offered a single weekly groupage service from Hong Kong to Los Angeles. We now offer 35 departures from seven origins within China and eight US gateways! We will continue to expand our service scope to include more trade routes and increase frequency of departure in high volume lanes to multiple sailings per week.

The new agency representation in Korea started in November and this positioned us as one of the top three operators in the trade with weekly services from Busan to six US gateways. Our import services from Europe are equally comprehensive and plans are underway to further strengthen our position in a market we've been involved in for over 30 years.

Since opening the Seattle branch two years ago (our 14th US branch), our team continues to grow from strength to strength. This year they broke through into profit and recorded a 41% growth in sales revenue. From what was essentially a standing start, we have launched direct weekly export groupage services to five overseas destinations, offer weekly import services from three origins, initiated dedicated line haul runs to the Los Angeles and New York gateways and have plans to add more direct trade lanes this year. The Seattle market has been dominated by a couple of well-established competitors who have been operating in Seattle for nearly two decades; the success we've achieved is proof positive that it isn't the size of the team in the fight that matters but rather the size of the fight in the team! The recent leadership changes in our Atlanta and San Francisco branches are beginning to show signs of improved branch performance.

We relocated the Atlanta branch to a much needed improved facility and location. This physical change, along with Alice Macgregor relocating from LA to take on the Branch Manager role, has provided our team with the added confidence and commitment to achieving greatness in Atlanta.

In our San Francisco branch, Eddie Miranda was promoted to the Branch Manager role and has made several positive improvements to the branch and introduced a real "can do" attitude for the team. We will soon relocate the branch to a better office location which brings us closer to our clients and the local market.

Following the Mainfreight Group initiative started in New Zealand, we conducted the Achieve Global Professional Sales Skills development courses for our US Branch Managers and the entire sales team. The 3-day training sessions were held during our national Sales and Branch Manager conferences with the aim of creating a common sales language/process across our entire network that is executed by a highly professional sales team.

Our operation in Santiago Chile posted its best result since opening the branch three years ago. The team exceeded their profit pledge of \$250,000 and have started off the new year with a drive to reach an even higher target. Improved trading conditions were realized in the China to Chile trade and stronger volumes from the USA helped lift their performance. Expanded trading relations with our partners in Peru and Ecuador continue to strengthen our position in the West Coast of South America market.

In February, Northern Chile was struck by a magnitude 7.8 earthquake which was soon followed by a devastating forest fire in the port city of Valparaiso. Generous cash donations and a clothing drive organized by our team helped deliver much needed relief to families who had lost everything in the fires. Several team members volunteered time to help people rebuild their homes and also shared goodwill for Easter by giving Easter Eggs to the young children in the affected areas of Valparaiso. We are very proud of our team in Chile for these wonderful acts of kindness.



Barbara Masias from our Santiago branch giving Easter Eggs to children in Valparaiso

The CaroTrans Le Havre branch continues to improve its performance and has expanded weekly export services to the USA. The success achieved in the service to New York provided the catalyst for the launch of a weekly service to Houston by offering the fastest transit in the market. Customer support of the new Le Havre to Houston service has been strong and once this new service is settled in, we intend to expand further to include weekly all water service from Le Havre to Los Angeles.

In a step to broaden our service coverage from the USA to France, we commenced a weekly export service between New York and Marseilles. This new service will assist our clients in the Southeastern region of France by offering improved transit times, reduced handling and cost efficiencies.

Team, we set out to make 2013/14 our defining year and we allowed nothing to stand in our way. We gritted our teeth through some tough times in January and February but your "Can Do Winning Attitude" set the pace for delivering our best result to date.

We have plenty of opportunities to take advantage of this coming financial year and we have our sights set on achieving the aggressive target presented at the Branch Managers meeting. As we roll into the new year with the momentum and pace from last year, we must remain focused on several key elements for reaching our target:

- Import sales development requires
 a dedicated focus and specialists

 growth won't happen quick enough
 with generalists
- We must get across the line together

 work as a team, both here and
 with your overseas counterparts
- Maximize container utilization we've paid for the space so fill it up
- **4.** Mediocrity doesn't exist here demand top performance and superior quality in everything we do
- **5.** Be brutal on our competition and rip everything you can away from them
- **6.** Eliminate unnecessary emails pick up the phone and stop using the "REPLY ALL" button

Congratulations team for a recordsetting year. Thank you for your passion, hard work and tireless energy ...you are the special people who make us a very special company!

IT Update - Matt Spartz

Our systems intelligence in a large part determines how we respond to current market demands and how well we are positioned to capitalize on the normal challenges of our business. It is a key component to our success and more than worth the talent, energy and capital investment that is ongoing.

Customer facing products like website rating, booking and tracking toolsets and new initiatives in reporting matrices continue to roll out with the intent to make our services very accessible and easily understood by the user ... on their desktop, IPhone or tablet device.

Our EDI platform initiative with INTTRA is underway and will allow small and large enterprises to use a standard connectivity platform for booking, documentation and other operations functions.

For our internal users, we are soon to roll out a more sophisticated (and integrated) import order tracking system, auto rating for imports, FCL modules integrated with our full load rate engine as well as other enhancements to the operating platform.

And then there are the dashboards. Part of the design of the operating system CaroTrack was to leave space on the screen to display up-to-theminute stats relevant to the individual user; so an import team leader in a gateway will have a clear picture of containers inbound, at port or in an unpack station; an export loader planner will see freight building for a vessel a week before loading.

The info will be real time and pushed to the desktops.

Finally we are pulling through e-data we already have to find connections that will help us in every aspect of our business. For example, we've started to factor in the number of pallet positions used in a load along with total weight and cube. With that very simple calculation, we are able to flag loads requiring extra attention well before sending to the CFS as well as the ones that are more straightforward and might allow us more aggressive load factor utilization.

The small improvements that seem to be rolling out weekly have a cumulative effect. The investment is significant, but the results show up in the P&Ls and how well we capitalize on the next challenge thrown our way.

"Project Friggit IV"

In early January 2014, our New Jersey FCL team handled a shipment of a 35-foot fishing boat from New York to Rotterdam. Together with Gerrit de Graaf and the Cleve & Zonen team in Rotterdam, close communication and timely coordination helped deliver the "Friggit IV" to its new home in Holland.



2014 NTW Young Leader of the Year Award – Nominee: Wicks Dickson

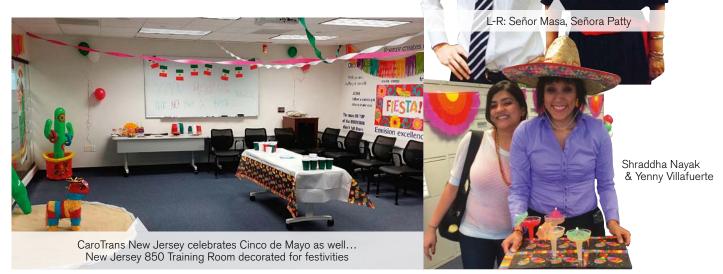
The Young Leader of the Year Award was created to annually recognize an individual in the early stages of their logistics/transportation career. The nominee must have demonstrated extraordinary actions during the award period (April to March) or since entering the industry and be 35 or younger. The nominee must also have demonstrated a steadfast dedication to transportation industry in the low country and state of South Carolina.

Wicks Dickson is a member of our sales team based in the Charleston branch. He joined our team in April 2012 following a four-year posting with the US Coast Guard as a search and rescue operator. He is a graduate of the University of Mississippi where he earned his Bachelor of Science degree in Criminal Justice & Homeland Security. As a member of the Custom Brokers & Freight Forwarders Association and Maritime Association of South Carolina Public Affairs, Wicks proudly represents CaroTrans throughout the Southeast region.

Being nominated for this award is a major achievement in its own right, and we are particularly proud and delighted that Wicks went on to win the award. Congratulations Wicks!

CaroTrans Celebrates Cinco de Mayo

Good times and great food were on the menu for our celebration of Cinco de Mayo at CaroTrans Los Angeles. The team went "all-in" for this yearly fiesta with a full service taco cart, authentic Mexican sombreros and a bit of that special transportation spice that only CaroTrans can bring.



Farewell to Yuzuru Onishi (aka Cowboy Joe) - Riyaz Jordan

Yuzuru joined us in 2008 and during this period, his energy and enthusiasm gave our branch an insight on the Seino operations and allowed us to learn and grow in the Japanese market. Apart from gaining new accounts and maintaining existing relationships, Yuzuru went above and beyond his duties by embracing the American culture and developing new relationships and promoting the CaroTrans brand within the Japanese community and freight forwarders.



Here are a few memories of "Cowboy Joe"

We would like thank Yuzuru for his contribution over the past six years and wish him all the best for his new role in Japan. Transitioning from Yuzuru, we welcome Takahiro Arima to our New Jersey team. Taka has some big shoes to fill with Yuzuru's departure, but we are confident that he can accomplish his goals and take us to the next level. Welcome to the team Takahiro (nickname yet to be determined).



Riyaz Jordan, Newark Branch Manager, presenting at CSS



Kerrianne Doneghey and Tom Swain from the Boston team

CSS Sales Strategy Meeting (India) 2013/14

Riyaz Jordan presented at the Consolidated Shipping Services (CSS) Sales Strategy meeting in Kerala India. The theme for the strategy meeting was "LIMITLESS". The two-day meeting was attended by CSS Senior Management, head of departments from the Middle East and the Indian sub-continent along with overseas guests.

With the announcement of World Expo 2020 being awarded to Dubai (UAE) we will see an increase in shipping activity as 180 countries prepare to demonstrate the best they have to offer in industry, science and culture. The preparations for this event are likely to increase imports of raw materials and machinery, increasing trade flows.

During the event we were able to present CaroTrans services to the CSS team, discuss operational processes and set strategies and goals for 2014. CSS is our partner throughout the Middle East region and ranks within our top 10 markets.

A special thanks to the team at CSS and to Devas Farmhouse for arranging the event and including CaroTrans in their sales strategy discussions.

The Ladies of CaroTrans – at the Branch Manager meeting in Phoenix L-R: Susan Kahl, Baltimore; Alice Macgregor, Atlanta; Kika Veiga, Miami; Shelly Bisanar, Charlotte; Maggie Piktel, Cleveland; Jessica Murphy, New Jersey; Raewyn Glamuzina, Los Angeles

Boston Team Assists Relief Efforts

In response to the devastation Typhoon Haiyan left behind after striking the Philippines in November, Arpin Group and Cardi's Furniture quickly teamed up to put out an "SOS" to the community to collect relief supplies for the victims. Arpin, CaroTrans, MOL and ICI Trucking provided transportation services for the final delivery of approx. four container loads of bottled water, non-perishable foods and diapers, weighing an astonishing 45,000 pounds. The goods were shipped to the ABS-CBN Foundation in Quezon City, Philippines, for final distribution to the refugees.

"The damage and devastation caused by this typhoon is unimaginable. These contributions will help bring direct relief to those people in need as they begin the difficult task of rebuilding their communities and lives. Our thanks go out to everyone involved in this initiative and we remain committed to providing additional support as the relief efforts in the Philippines continue."





Mainfreight Asia / CaroTrans Asia - Michael Lofaro

t is with a degree of pride that we open this Team

Newsletter with the exciting news that our business
in Asia recorded a record profit year last year. A great
effort by our team in a very aggressive and competitive
market, achieved not alone, but with the great contributions
and co-operation of our business around the world. The
team in Asia can be very proud of their efforts to date, but
of course, what we have really done is set ourselves a new
benchmark to strive to beat. And beat it we will!

At the end of last year, the Asia team committed to a new 5-Year Plan setting out objectives covering financial goals, strategic sales activities, development plans for our team and significant expansion into the Southeast Asian region. We thrive on challenges and we know we have the right team in place to achieve our dreams!

To continue to challenge ourselves and grow our service offering, we have developed new products and skill sets. Our team in Taiwan are no exception. Kenny, our Regional Sales Manager for southern Taiwan, based in the City of Kaohsiung, recently secured a project shipment to the USA. In association with our teams in the US, we analysed, quoted, planned and executed the move of a project shipment comprising 10 main units of equipment and 51 pcs of accessories for total about 4110 CBM under C&F terms, to the port of Houston as break bulk cargo.



An impressive first time project move for the team in Taiwan.

Not to be outdone, our new Thailand team handled an impressive 154.8 cbm of food processing equipment with one single flight. You see, there is more to your family in Asia than you realised. No cargo move is too hard for us to handle.

Our Business Development Manager, Natthanan Phakdeewattanasiri, devised the solution to move the machine from GIMA s.p.s, Milano Malpensa, Italy to the customer's factory in Lad Krabang, Thailand by airfreight in a single flight. This shipment comprised 7 oversized pieces maximum length, height and width of 400 cm, 230 cm, and 225 cm respectively. With high levels of effort and input by all concerned parties, direct and clear communications, and superb support from our Italian office, the shipment arrived in safe condition and earlier than expected. We beat the competition hands down!



Well done to our Thailand team. A great start to 2014.

These growth opportunities are being built upon the quality of our team, and team training and development is a high priority for us here in Asia. We are also fortunate to have the opportunity to welcome team members from around the world, who have either taken the challenge to move to Asia to work with us, are here on business or for training; all working together to help grow our customer base and market share.

As an example of an internal transfer from within the group, our Shanghai office welcomed Cici Wang, who came to us from Mainfreight Air & Ocean, Auckland, New Zealand. Cici has taken on a sales role in Shanghai, an exciting challenge in a city of over 25 million people... plenty of opportunity out there Cici, we wish you great fortune in all your endeavours.



In April, our Hong Kong team also hosted a very significant conference. The team leaders for our Sales Divisions from our operations across our global footprint all came together in Hong Kong for the inaugural Global Sales conference. It was an exciting time to be hosting a historical event like this, the first one of its kind for our Group.

We also regularly host sales campaigns were we invite team members from the Group to join us on a gruelling hike across a number of cities in the region, dragging them to multiple customer visits every day and then exposing them to the wonders of local cuisine. One such recent visitor was Sonia Taylor from Mainfreight Air & Ocean, Christchurch, New Zealand. We have to say that Sonia is one of the most exciting and excitable visitors we have had in a long time. She 'beams' with Mainfreight energy. Added to this was that she had a very successful sales visit.

The driving force behind our sales and marketing activities
L-R: Cary Chung (Asia), Tom Valentine (USA), Liane Philipsen (Europe),
Dave Scott (Australia), Nic Kay (NZ) & Jason Braid (USA)



Angela Wang, Sonia Taylor Front L-R: Lina Lin, Wendy Niu, Jane Liu, Ava Feng

Our thanks to all those team from around the world who invest the time to visit us in an effort to help us to continue to strive for greater success.

March also gave us the opportunity to host a group of ladies from Australia. They were on what we call our Educational Bus Tour. This is a training program that we have developed within the Air & Ocean Network business designed to help our team around the world get a better understanding of our various business units and to build stronger and closer relationships between team members.

It was truly a great opportunity to put 'names to faces', as the saying goes, and to help our teams break down communication barriers and hold PAT meetings together, thus finding smarter ways to communicate and work with each other.

We have hosted two tours this year, one from New Zealand, and one from Australia. This year we will also be sending a second 'Bus load' of the team from Asia to New Zealand and Australia for similar training and cultural experience.



Josephine Fava Melbourne, Jessica Rankin Adelaide



On the local front, our teams from around Asia are always active in both social gatherings as a team, or entering social events. Shenzhen team members recently tested their fitness levels by participating in the city's 2014 Colour Run. We don't believe any world records were smashed but there is no doubt that they gave it their all!

Making one's pledge is an important event in any Branch's yearly calendar, so our Ningbo team decided to celebrate beating their pledge for the last financial year, with "team and family" weekend away. They gathered partners and children and took a

5-hour plus train ride from Ningbo, down the east coast of China to Xiamen, a famous tourist destination. Xiamen is well known for its beaches, relaxing lifestyle, seafood, and clean air. Seems our Ningbo team did very well in rewarding themselves for their success. They now need to repeat the achievement. Regrettably, as you can see from the photos, the weather let them down a bit, but from all reports a great time was had by all. Great Mainfreight Family spirit...

Sunny Sun, our Ningbo Branch Manager sent me this note with the photo.

To celebrate the achievement of 2013 yearly budget, Ningbo Team organized a delightful family trip to Xiamen city. We are very appreciate our family give us more support in our busy daily work.

All the members really enjoyed the beautiful scene, delicious foods and wonderful atmosphere. This is the first time for some Mainfreight children to go such far away distance by train away from home. They are very excited for this trip.

"Happy Work, Happy Life", we're always following.

The first six months of 2014 have been hectic and we welcome the challenges ahead for the remainder of the year with a very positive attitude. The traditional peak season is upon us, so it's important that we all strive to

work as a team, support each other, and meet all our quality KPI's.

We hope our next Team Board report in December is as full of opportunities and team spirit as this one has been.

To all our family and friends around the world, we wish you great success for the rest of the 2014 year!



Back Row (L-R): Carl Xu, Char He, Wesker Wang, Rain's husband, Klark Yu, Emily Wu's mother, Vicky Chen's mother, Vicky's father, Paul Ye and his wife in front of him.

Middle Row (L-R): Sunny's mother, Andy Sun and his wife & son (孙宇辰) in front of him, Michelle Wu, Cindy Yang, Sunny Sun and her daughter (李金璇) in front, Vicky Chen and her son (王家锦) in front, Rain and her son (郑翰笙) in front, Klark's wife & daughter (棉棉) in front, Emily Wu and her son (郭锦鹏) in front, Lisa Li and her daughter (鲍怡诺) in front, Lisa Li's mother.

Front Row (L-R): Joice Xu and her daughter (胡晓) in front of her.



Wim Bosman and Mainfreight Europe - Mark Newman

fter three quite difficult years for much of the European continent, the teams of Wim Bosman and Mainfreight Europe have embarked on 2014 with increasing confidence. This has little to do with the small green shoots of growth that some economists are pointing to, but rather the hard work of many team members in making sure the foundations of the business are fit for all economic circumstances.

Some of the changes we have been working on are quite significant.

- Moving away from a traditional hierarchical structure and empowering our managers and other team members to make critical decisions.
- Building a strong training and development team that is making a

major difference to our approach to learning.

- Creating proper sales structure rather than relying on marketing for our growth.
- Focusing on food and every day consumables to reduce our seasonality and increase our base level activity.
- Promoting group unity as the foundation for our success.
- Expanding our group footprint, especially with Air & Ocean, to provide European relevance for the rest of the Mainfreight Group.

We are reporting good year on year gains in Logistics, Air & Ocean and many of our Forwarding operations. Our successful branch manager and sales meetings, held during February

and March, have set some challenging benchmarks for our business performance this year.

In February we were also honoured to earn entry into the John Deere Supplier Hall of Fame. This important milestone in our long-term relationship with Deere is a testament to how energy, commitment and teamwork can lead to lasting business success.

We will continue to strive for improvement across all of our businesses this year as we continue our journey to become a significant contributor to the Mainfreight family.

Thank you for all you help so far, and please, always remember that you, the individuals in our business, really make the difference.

Wim Bosman Enters John Deere Hall of Fame

Wim Bosman has earned recognition as a Partner-level Supplier for 2013 and was inducted into the Supplier Hall of Fame in the John Deere Achieving Excellence Program.

Hall of Fame status is given after a supplier attains a Partner-level rating for five consecutive years. The Partner-level status is Deere & Company's highest supplier rating. Our company was selected for the honour in recognition of its dedication to providing products and service of outstanding quality as well as its commitment to continuous improvement. We accepted the recognition during formal ceremonies held on 18 February 2014 in Moline (USA).

In Holland we supply logistics and late configuration services on commercial and agricultural goods to John Deere's operation in region II (EMEA). Suppliers who participate in the

Achieving Excellence program are evaluated annually in several key performance categories, including quality, cost management, delivery, technical support and wavelength, which is a measure of responsiveness.

John Deere Supply Management created the program in 1991 to provide a supplier evaluation and feedback process that promotes continuous improvement.



L-R: Randy Mutschler, Director Worldwide Logistics John Deere; Mark Newman, CEO Wim Bosman Group; Vincent Schilp, Operations Manager Wim Bosman; Liane Philipsen, European Sales Director Wim Bosman; and Thomas Knoll, Vice President Supply Management John Deere

Mainfreight Europe Expands!

Setting ambitious goals, making our aspirations clear and working hard to achieve them. That's the Mainfreight way. Setting new targets and challenging ourselves is who we are. It is our intention to continue extending our network to eventually be located in all the major trading nations of the world. We constantly work on this goal; therefore we recently opened two more Mainfreight branches in Europe – in Germany and Poland.



New Direct LCL Service from US to Russia

CaroTrans together with Wim Bosman Russia are excited to launch the first and only dedicated LCL consolidation from USA to St. Petersburg, Russia.

All cargo for St. Petersburg will be consolidated via the New Jersey gateway and boxes will ship via the Maersk service. There will be no re-consolidation via any other European Hub. CaroTrans will arrange deliveries and consolidation in the USA, while Wim Bosman will coordinate the handling and release of the cargo.



Wim Bosman France Becomes Mainfreight France

To create stronger brand awareness around Mainfreight's global supply chain services for the French market, Wim Bosman France, the road-transport division of Mainfreight in France became Mainfreight France on 1st April 2014.

After operating in France for more than 20 years as Wim Bosman France, we are proud of our legacy of service. Under the name of Mainfreight France, and thanks to the quality and passion of our Team, we will strive to offer even higher standards of service and reach excellence.

Launching Mainchain

Also from 1st April 2014, Mainfreight France will officially launch its new web-based tracking and tracing tool, Mainchain. Thanks to Mainchain, Mainfreight's customers will be able to obtain information across their entire supply chain whenever they need it; from detailed status information to essential reports for strategic decision making.

Air & Ocean Amsterdam/AMS Branch Manager

Marije Belien has accepted the opportunity to lead the AMS Branch. Marije has been working in the AMS Branch as Team Leader of Imports whilst also been involved with Sales. Marije has great industry experience in AMS with major Airfreight players and her experience and leadership skills will be an asset to Mainfreight Air & Ocean Amsterdam.

Trucker for a Day - Tim Stevens

The Wim Bosman Group launched a "share, like and win" campaign in February. The prize was a national truck ride for a day with a Wim Bosman driver. The winner, Tim Stevens, collected his prize on Wednesday 2 April.

Tim wrote a short comment about his experience as a trucker. "Hello, my name is Tim. I'm 14 years old and on Wednesday 2 April, I spent a day on a truck with driver Mischa Koster. He has a low roof DAF CF 75 310PK. First he picked me up from my school, because it was near his route. After that we unloaded a little pallet by a furniture store. Normally Mischa has a little cool-box in his cabin, but because of me there was no space, so unfortunately we had to eat a Big Mac;".



Tim Stevens with Mischa Koster, Wim Bosman Driver

A Day Full of Activities!

"We've been to 15 different locations and I don't know all of them anymore. It really was a great day! After a while Mischa was getting a phone call, so I asked him if I could make some cool pictures. Mischa thank you very much! See you next time:)".

Not only Tim, but also Mischa came home with a new dose of energy. "It is very nice to have a 'trucker of the future' sitting next to you. Tim knows a lot about the job as a driver and the trucks we are driving in. My cool-box didn't fit in anymore, but I had a very nice day. Thanks to Tim for his enthusiasm and a great day!".



como

'De Ziep" school provides secondary education to students with a multiple physical and/or intellectual disabilities. One of the interns at "De Ziep" organised an activity day to make many wishes come true. When she approached Wim Bosman we immediately said YES!

The students had a really great day. They were so impressed by the size of the trucks when they were able to come that close. They were sitting behind the steering wheel and in the loading space, enjoying every minute of it! We're happy we could be part of the 'activity day'. Not only the children had fun, we did too!

Outward Bound - Walter Ferreira

My name is Walter Ferreira and I joined Mainfreight in November 2013 in the role as European Sales Director Air & Ocean. I am one of the lucky ones who participated in Outward Bound earlier this year, and want to take this chance to share with you my experience. I did some research to find out what Outward Bound is exactly all about. After seeing the YouTube video of Outward Bound I was excited, but on the other hand also a bit worried about what to expect.

I travelled to New Zealand through Hong Kong where I had a meeting with Cary Chung (Asia Regional Director - Sales & Supply Chain), Jason Braid (Director, Air & Ocean Sales USA) and Michael Lofaro (General Manager Asia). These guys were so friendly and tell me not to worry at all and that I would enjoy everything except for the possums, spiders and rats the size of German Shepherds. I must admit that their kind notification worried me a little bit.



Arrived in Auckland on Friday April 11th, and Sales Team members Emma Howard-Smith, Jake Pascoe and Ian Graham were so kind to guide me through Auckland showing me the Mainfreight sites. Evening came and finally met my soon to be "OB family". Alex Panait, Trisha Maahs, Jodie Dirksen, Cherry Wang, Matt Beveridge, Matt Dalton,

Scott Doggett, Andrew Hall, Esmond Lum, James Ryan, Jenna Hudson, Ash Ryder, Sander Vreeburg and myself formed "McKenzie" Watch during Outward Bound. We had a great dinner that night and amazing to see that this group of "strangers" clicked right from the start. Unfortunately for me the evening didn't end very successful but that was because I already challenged myself and tried Vegemite. After having experienced this taste sensation, I checked Wikipedia and now I know why my stomach reacted strongly. Quote: *Vegemite is a dark brown Australian food paste made from leftover brewers' yeast extract with various vegetable and spice additives.* Especially the word "leftover" is a warning sign.

Monday April 14th after an early flight from Auckland to Blenheim we arrived at Outward Bound Anakiwa (South Island, Marlborough Sounds) and were welcomed by Dallis Parker (Mainfreight OB Course Trainer) and our Outward Bound Guides for the week. The first impression was mind blowing. What a beautiful place. Unfortunately the weather conditions that week were far from ideal, it rained every day! Without going into detail (sorry team this is not allowed), the entire week is a combination of mental, physical challenges and a leadership programme under supervision of Dallis. This leadership programme has given me some valuable tools and tips. For me personally the biggest learning experience was to work both individually and with the team outside of my comfort zone and to keep my focus, more structure in my agenda and most importantly give my team more personal attention.

During my previous work experience I have had many training programs however Outward Bound is for me the most valuable I have ever had. It is so special that after just one week forming a family with 13 people you create



friendships that will last a lifetime. All the members of McKenzie watch pushed themselves to the limit and beyond but always the Team was key.

During one of our physical exercises we changed the lyrics of a classic Queen hit "We will rock you" and gave it a little twist which we sang out loud:

We came to OB ready to go
What would we be doing we didn't know
We got mud on our face
We love this place
Ready to finish with power and grace
We are, we are McKenzie
We are, we are Mainfreight!

Looking back to this I get a smile on my face and proud to say that I was part of a Group of very **Special** People who all work for a very **Special** Company.

Wim Bosman Poland Wins Award

Wim Bosman Poland has been awarded the title of "Business Gazelle" by the Polish business daily newspaper "Puls Biznesu" [Business Pulse]. This distinction proves that we belong with the elite club of "Business Gazelles" - the most dynamically developing companies in the market. The award ceremony was part of 14th Business Gazelle Gala which was held in the Sofitel Victoria Hotel in Warsaw in March. Candidates for this title had to meet the following criteria: Increase in sales revenue for at least three years in a row; stable profitability; creativity and innovation.



We would like to congratulate all of you on our shared success. Awards and titles such as this one prove that the joint effort we put in to ensure our company's growth and development really does pay off.

Wim Bosman in the Netherlands wins Lean and Green 2nd Star

Logistics service provider Wim Bosman in the Netherlands is one of the leading companies that received the Lean and Green 2nd Star. On May 15 Managing Director of Connekt, Nico Anten, presented the second Star to Bertil ter Maat, Managing Director Wim Bosman Transport BV.

LEAN and GREEN

The award of a second Lean and Green Star is recognition for companies that:

- are active with sustainable cooperation in the logistics chain and with innovation in that field;
- calculate their CO₂ emissions during their transport performance with a sufficiently high degree of accuracy;
- and in addition to a number of minimum requirements for companies who are recognised (by the market) in the area of sustainability.



Humanitarian Trip to Romania

Herman Bussink, Wim Bosman driver, recently undertook a humanitarian trip to Romania. Trailers loaded with goods were unloaded at various locations.

On 10 and 11 May, two villages were visited, one 35 km south of Timisoara and one in Transylvania. Clothing, mattresses, bicycles, tables, chairs, and walking frames have been given to families who really need them.

On the way back we loaded in Budapest and unloaded in Leiden, Holland. Herman made the trip together with driver Leo Cooper, and we are proud of both of them for demonstrating their kindness and compassion.



Herman's truck loaded with aid items

Technology - Kevin Drinkwater

ork is starting to ramp up on building Mainstreet, our new domestic freight system, for Australia and New Zealand. There have already been successful super-user sessions involving key operational team members in both countries. These sessions began with demonstrations of Mainstreet as built for the USA. From there we reviewed what it would take to bring Mainstreet in line with the requirements of the Australasian businesses.

There is a significant amount of work to get to the system completed, for all domestic freight operations, with New Zealand expected to Go Live mid-2015.

Critical to the process will be the feedback from the business as to what is expected in the ideal freight system. If you are offered the opportunity to be involved in the requirements gathering part of this project please grab it with both hands and make the most of it. If you are not formally asked, we are still very happy for you to provide us with your input.

We are endeavouring to have an earlier Go Live for our Metro operations (intra city freight), hopefully in August this year. We believe we can accomplish this as Mainstreet USA's functionality is already very close to what Metro requires. This approach will be beneficial as it will prove the fundamentals of Mainstreet work for Australia and New Zealand as well as giving Metro considerably more efficiency than they have now.

Mainstreet will be the 3rd generation of our domestic freight systems in Australasia and its pending introduction has led me to reflect on the way we used to be and to consider what we will need for the future.

Our original system, known as Reality, was introduced in 1990. It was revolutionary for Mainfreight and the whole domestic freight market in New Zealand. Previously the standard time

it took to get status on a consignment was measured in days and it quite often took a week or more to provide the customer with a proof of delivery. All this was done by phone, fax and sometimes mail (that's the mailman variety, not the "e" version).

After the Go Live of Reality we were able to give status updates in 10 seconds and hard copy Proof of Deliveries within an hour. Most often we did this while the customer was still on the phone with their enquiry. The key to this capability was the introduction of barcodes into our business.

This barcoded freight tracking helped Mainfreight grow rapidly from 1990 – it was one of the key reasons why many large customers moved from the large established freight companies to the newcomer – Mainfreight. By the end of that decade barcoded freight tracking was virtually compulsory to be a viable freight company and most of our competitors were using barcodes.

However we had not sat on our hands while this was happening.

We continued to focus our technology development on providing systems which could improve business and life for our customers. Being able to give our customers accurate tracking information was still critical but we needed to provide it faster. We were one of the first (if not the first), transport companies to embrace the internet and make our tracking available online. Additionally, and perhaps even more importantly, we built the ability to give our customers an analysis of their freight movements including transit times, volumes and costs by destination. This information and the expert knowledge of our teams enabled customers to look at their distribution freight patterns in a way that clearly highlighted critical elements of their business - from changes in sales patterns, to the appropriate location of their distribution facilities.

Then in 2003 we introduced Mainchain, our customer portal, which gave customers significantly more capability than simply tracking a consignment on the internet. For the first time we were able to give customers the ability to monitor their shipments right across the supply chain, around the world. It also offered them direct, and anytime access, to operational information and key reports online. Mainchain also added many other opportunities for a customer to see key information and reports about their goods.

Mainchain and our other systems continue to be a key differentiator in the markets of every country we operate in. However we are continually working on improving our offering and as such we are focusing on determining what technology advancements we require to keep our competitive edge with technology to and beyond 2020.

Intelligent assets is the phrase we are using to describe this initiative.

One of the initial thrusts will be to provide ourselves and our customers a more targeted set of information by highlighting exceptions and minimising unnecessary detail.

We are all faced with information overload so being able to improve this will mean our customers are able to focus on the most important information first. Customers will set their own criteria as to what is most important to them, define what an exception is and how they would like them displayed.

Our objective is to create analytical tools that will provide critical insights for the customer into their business. Although we are in the preliminary stages of this initiative, we are excited by the opportunities it presents. It may take our business into a completely new area of technology.

The contributions from other IT team members that follow are example of the projects we have been working on. One of the most significant of these is the project we are undertaking with Dangerous Goods in Australia and New Zealand. The May release of a comprehensive Dangerous Goods module in WebFreman was the first in a series of improvements we are making across all our Australasian operational systems. These changes are designed to improve the protection of our customers, team members, the general public and when there is an incident, the

emergency service personnel.

The improvements are based around 3 key elements;

- Ensuring that the information the customer inputs is accurate – It will now be verified against an International Dangerous Goods classification database.
- That the Dangerous Goods documentation we receive and carry in the vehicle is correct.
- That we have a complete electronic record of the full details of any Dangerous Goods on any vehicle or at any warehouse.

Having this data will give us the ability to electronically transmit details of all Dangerous Goods in a truck, container or wagon to the Fire Service in the advent of an incident.

We expect this same functionality to be rolled out to our warehousing operations during the rest of this year.

Dangerous Goods - Safeguarding our Business - Logan Lim

Challenges with DG Documentation

Historically our customers have been able to enter inaccurate information into their DG declaration forms in Freman and we have not had the ability to check the accuracy of their information relevant to the goods they're transporting until they get back to the branches.

This has posed significant challenges to our team through inaccurate, incomplete, or missing DG documentation. Any of the above scenarios drastically reduces our ability to easily segregate DGs on our units, display correct placards and handle spills and accidents safely with confidence.

Game Changing DG Tools

This year we're making changes to Dangerous Goods transportation by introducing new and easy to use tools to identify invalid DG details, and help our customers provide accurate DG declaration forms with their freight – helping reduce the potential risks to our environment and communities in accidents or emergencies.

In the event of an accident... DG declaration forms are highly important as they help identify:

- What Dangerous Goods are being transported
- 2. Where they're going
- 3. How much is being transported
- **4.** How to handle the situation in the case of an emergency or accident
- **5.** Who's responsible or has authorised the transportation of these goods

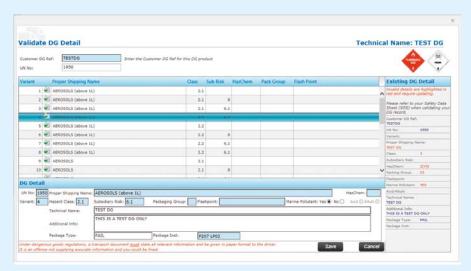
Our new **DG Validation Tool in FremanWeb** is the first step in this process and will allow our customers to easily check their DG information is correct before sending it in.

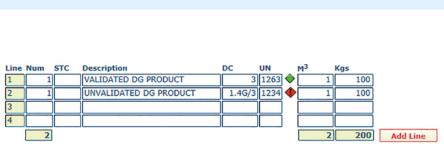
All the customer has to do is type in their UN number and retrieve DG details from an extensive database before saving and printing the declaration forms to send with their goods.

To ensure they correct any existing DG records saved in FremanWeb, we'll

notify them when the details on their DG declaration forms need to be validated, and eventually prevent them from creating a consignment note until ALL DG information on that consignment has been validated through our new validation tool.

When the DG information has been checked by the customer and validated, it will then flow through to Maintrak when the note has been uploaded.





MIMS in Taiwan - Wing Lam

MIMS, the inventory management system for our warehousing operations, is now being used in Taiwan in our Taoyuan and Kaohsiung warehouses, and both facilities can are benefitting from improved service levels. Our customers can use the same platform (Mainchain) to check Hong Kong, Taiwan and Australia's warehouse details at the same time. I would like to take this opportunity to say thanks to Jeremy and Bhavesh, of the NZ IT team, for their support!



Technology Doesn't Make Us Successful! - John Eshuis

I asked the USA IT team what we should write about for this edition. A comment from Nathan Chaney stood out for me:

"It's not our technology that makes us successful; it's not our processes that make us successful.

It's our people that make us successful.

The integration of technology and people... that's where the magic happens. The greatest technology in the world - without being adopted, understood and leveraged by users - is useless.

On the whole, in the USA, are we working on leveraging our IT to the fullest by training our team? Getting buy-in and developing/improving it in ways that the team need and want?

If so, awesome! That's what we should write about!"

Mainfreight USA has been through over 5 systems changes in 5 years. On top of that we have been introducing new KPI's, processes, branch structure changes, new products and the usual growth expectation that Mainfreight has. Throw in the global financial crisis and you can say it's been a heck of a ride!

But that's OK, we're Mainfreight, right? We can handle it!

Now that we have our key foundation systems in place (Cargowise, MIMS, Mainstreet and Mainchain) we can start to focus more and more on what Nathan described – that is: leveraging IT to the fullest.

We are using many different methods to reach the intended audience & drive utilization:

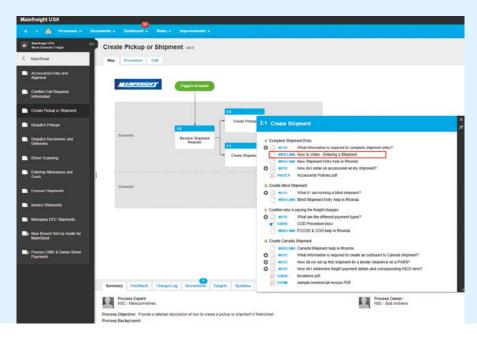
- 1. Promapp
- 2. Webinars
- 3. Branch visits

Promapp

Mainfreight USA has had Promapp for a few years now. It has all our standard processes documented online, with links to documents, training videos, system manuals and links to the process experts. It allows for the team to provide feedback on particular processes, create customer specific processes and also track & monitor issues around compliance, health and safety, accounting and IT. We have had over 28,000 hits since we went live, and are seeing a growth trend of 3-5% per month.

It's a great reference tool for new team members, perfect for showing customers we understand their business models, and we use it as a foundation for our training programs. Hard copy manuals are also available in the traditional Mainfreight style so that all team members have access to the latest manuals at a moment's notice.

Our 2014 objective is to raise the profile even more – by bringing the product into the forefront of our training, our branch visits and through the audits.



Webinars

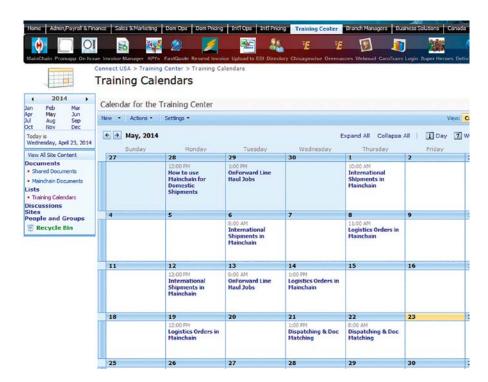
We would love to bring the team to the training center in Los Angeles, but the distance, travel time and costs prevent us from doing that with regularity. The USA team is well versed with Webinars and they work well for us.

We keep them short (30 minutes), and repeat regularly so that all team members have a chance to attend, and we focus on needs, such as reviewing the latest enhancements to Mainstreet, MIMS and Cargowise. We have had 600 attendees to our webinar training so far this year! (Mainfreight USA is about 550 team strong – including forwarding agents).

Close work with the training team ensures that we do not just roll out new features, but support roll outs with short webinars.

Branch Visits

We review branch performance and coordinate visits with the branch manager when it is appropriate. These have been a great way to help the branch deal with change. We also get much more in depth feedback from the team when we're sitting down face to face and talking through their challenges. Sometimes it's training, sometimes it's a bug, or sometimes the software is just wrong! We have found that the best way to get real feedback is to stare somebody out!



But most of all!!!!

Ultimately there is only one way to make technology fly – and that is through the passion of our people. More to the point, there has to be a DESIRE to utilize the tools we have available.

When the team is passionate about the technology, we get the best feedback so we can continue to improve. When the team is passionate about the technology, the branch benefits from improved processes. When the team is passionate about the technology, the customer

benefits from better service,

better information, and it puts them in the position of making superior decisions about their products and how Mainfreight supports their goals.

SO what is our challenge to you?

Our focus for 2014 is about Keeping It Real – updating our systems in real time using the tools we have (driver

scanning, mobile picking, dashboards). It is not necessarily paperless, but it is about updating in real time - "Keep It Real"

It's a slogan you will see & hear more about this year.

Group Training & Development - Martin Devereux

he below contributions provide wonderful insight into the various challenges our business faces across the globe and also the projects that our Training Teams are committed to. Whilst not all will have global application, all have the potential to form part of 'the way we do things round here'.

As you read through, the theme of people development sits across all regions and all business divisions. Like all pursuits in Mainfreight this is an ongoing focus and something we must all acknowledge to be mission critical. Many things change however the fundamental premise of hiring people with the potential to be Branch Managers will not. If you're reading this as leader in our business be vigilant with this premise. Surround yourself with those smarter than you and foster their success.

If you're reading this as a potential leader don't wait for things to happen. Ask questions and actively seek opportunities to develop yourself. If you don't understand your Quality Board, ask. If you're not sure how to read your P&L, ask. The simple message – get involved.

For over twelve years our relationship with Outward Bound has been a cornerstone in our commitment to challenging and developing our leadership capabilities. In this time we have seen over 400 team members from around the world share in this experience. The relationships formed from Outward Bound are truly unique and serve to connect countries, divisions and also cultures.

With this in mind Cobham Watch 590 enjoyed their Outward Bound experience earlier this year in February. The 14 members of this watch set themselves the project of developing an Outward Bound alumni program designed to, as Nathan Chaney from Mainfreight USA put it:

"...keep in contact and keep the fire of Outward Bound burning. Or – 'to keep the shoes wet'."

The outcome of this was the development of MOBAL – the Mainfreight Outward Bound Alumni Link. Whilst in its infancy, the thinking and strategy underpinning MOBAL is well considered and practical. For MOBAL to be truly successful it needs those of you who have been to Outward Bound to get involved and play your part in keeping this group of people connected and challenged. To find out more on MOBAL contact Nathan Chaney –

nathan.chaney@mainfreightusa.com



Asia - Suzy Zhou

It's Never Too Late to Learn Anything.

Meet Rody Luo – a member of the Mainfreight Shanghai family from day one, he has recently found himself back as a student. Being the warehouse operation manager of Mainfreight Shanghai, Rody's position is actually not an English-involving one, but in order to further his mind and learn more from overseas warehousing management experience, Rody took the challenge and went back to 'campus' again to take part in the English training program, trying to break down the language gap.



We will be holding a Training conference in Shanghai at the end of June. Over three days our senior operations and customer services team will gather to look for efficiency, consistency, and improved value in our processes. The spirit of learning is alive!

USA - Raewyn Glamuzina

The start of 2014 saw the USA join our global sales program initiative wherein we are learning the same framework and utilizing the same language. Over three intensive days of training our Branch Managers and sales teams honed their abilities in regards to the core skills involved in "Need Satisfaction Selling". The learning included classwork, discussion and role plays and focused on building mutually beneficial relationships with our customers. From seasoned sales people to our newest team members the feedback has been positive.

Graduate recruitment continues to be a focus. Recently we attended our first graduate career fair at the Massachusetts Maritime Academy in Boston. Tom Swain, CaroTrans Branch Manager in Boston graduated from the first Maritime Business class in 2006 and has recently addressed freshman classes to promote careers within our business. He also recently presented the first "CaroTrans Award" recognizing the top graduate in Maritime Business. Already we have several alumni of this school within our business and we expect more to follow.





Tom Swain promoting Mainfreight & CaroTrans at a careers fair

Europe - Anke Caspers

Last year was a tough but fruitful year for our team. We're in the process of transferring from a more traditional HR role to become a real training and development team. We've had some team members who left our team, and also hired some great new team members. I'm proud of the ones who moved into the partly new roles, willing and open to learn, grabbing the challenges ahead of us.

As a result from this, we've offered many tools to the business to help develop their teams. With organizing in-house events and career days to find the right people, we've supported managers with recruitment of new team members, management trainees and intern shippers.

A key project was the development and delivery of leadership training to managers in the Netherlands, Belgium and Poland. The main goal of these courses is that our managers become (more) aware of what leadership really means and reflect on what they want to continue, stop and start with. And every training course we give them practical tools to work with helping to develop their team. To sustain newly learned skills, we coach our managers on the job and support them on people development and performance (issues).

Another internal training just started, is the 'Easy to Deal With' course. We've developed new training using material from the New Zealand and Australia teams. So far, we've trained all team members in France and the Netherlands, with all other countries coming up.

Over the last year Lucy Partridge has provided system training to the Air

& Ocean teams, which has resulted in improvement of accuracy and quality to the customers. Also she did the first internal audits with good results, and encouraging improvements to achieve.

We've organized and facilitated external trainings in the Netherlands and Belgium, like forklift and reach trucks, safety, hazardous goods, first aid, customs, air cargo and ergonomics. Very rewarding to see the kick-off of sales training to all sales team members in Europe, with experienced trainers from Achieve Global. This will be a long-lasting program, including focus on coaching of the sales team members by the (sales) manager to maximise the impact of the training. This kick-off took place during the EU Sales Conference.

To conclude, our EU Management Trainee Program continuously helps us in developing great leaders for the future, with professional training and coaching support. Also Andrew Coulton and Gabrielle Fage have been involved, being in the global exchange program and learning all about who we are and what we do in Europe.

So, we strongly move forward in supporting the development of teams in Europe, happy to work with all those nice people around us!



The Europe Sales Team

Australia - Shona Taylor

As you would expect with a growing business the Training Team have been kept busy the past six months.

We have had a change in the team with Aaron Bond deservedly gaining a promotion into the role of Branch Manager for Logistics Sydney Road; we wish Aaron all the best in his new role.

Our involvement with Books in Homes is strengthening every year. This year we will be following in the steps of New Zealand and awarding the "Excellence Award" to our schools. This is awarded at the end of the year to the student showing excellent attitude to learning along with other criteria. We will be awarding this to each of our seven schools. We have started the process with the schools for the calendar pictures again; being the second year for this the schools have a better understanding of how it works and are very excited to have the opportunity to participate again this year and beyond.

The Term One catalogue for the schools was very special to Mainfreight; the theme was around Mainfreight and included a piece on our very own Eva-Lynn Patai from Transport Sydney.

The team have been focusing on safety, with Aaron and Steve undertaking Site inspections then producing reports to assist the branches to improve their depots and ensuring safe practices for our team. Sarah has also conducted Health and Safety training in all branches to assist the team to identify risks and to report incidents in a timely manner. The teams have gained a lot from this which has been shown through improvement in reporting and acting in a timelier manner.

The second half of the year will be focusing on leadership development as we commence our second Team Leaders course and the TMS courses for the year.





Eva-Lynn Patai features on the Books in Homes programme

Thank you to you all for your continued support in the new initiatives we bring to the business.

New Zealand - Rachel Hustler

Attracting, training, engaging and developing our team is something we are all responsible for and with this in mind we have undertaken some initiatives to reinforce our message.

Keeping our team engaged and involved in our business keeps the spark alive. To keep in regular contact we are sending a monthly Online Newsletter called 'The Mainfreight Think Tank' to our Driving Force Team. We have covered topics on personal development, getting out in the community, the importance of emotional intelligence, goal setting

and the importance of being fit and healthy. If you want to be included in these please contact me directly rachelh@mainfreight.co.nz.

Remember you can make things happen in your own teams.

Christchurch graduates have taken this message on board and built a strong network amongst them participating in various community fundraising events, Cure Kids, hosting Michael Forkenbrock for a Driving Force and a spot of competitive lawn bowls. In doing so they are nurturing our culture whilst also building and strengthening our team.

What's in the pipeline for us?

TMS Tight 5 Training

As part of our commitment to develop and train our team we are providing a one-day training session customised for your own Tight 5 teams. The objectives of these sessions is to understand your work preferences and identify strategies to help improve not only your performance but your team dynamic and highlight to some key areas to action in your team.

Electronic Audits

After years of the Training Team visiting your branch and recording the audit using the old paper & clipboard method with quite a few erasable pens, we are trialling a new approach to electronically record the information. Our teams will still visit your branch twice a year however they will use this new technology to record and translate the information in a more expedient fashion.

What are the benefits?

- Ability to print or review audit content by question or questions, by section, or by branch;
- Ability to send audit reports more quickly
- Ability to take and attach photos to validate a score or comment
- Ability to record and attach voice memos to validate a score or comment
- Ability to attach documents to validate a score or comment
- Audit scores calculate automatically
- One database via our network to capture all information from our audits



Background – L-R: Alex Brook, Marlon Johnson, Modecai Nkhwazi, Matt Ward Foreground: Nick Aubrey



Ange Quedley with the new electronic audit tool

The ability to present information in a faster and more user-friendly manner will ensure the focus on improving our business quality continues. This is an exciting time for our auditors, as we all look forward to embracing technology and using it to our advantage!

SERVICE ACHIEVEMENTS

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

Erik Lammers	35 years	Wim Bosman Transport 's-Heerenberg
Henk van den Heuvel	35 years	Wim Bosman Transport 's-Heerenberg
Jan Ursinus	35 years	Wim Bosman Cross-Dock 's-Heerenberg
John Giezenaar	35 years	Wim Bosman Forwarding 's-Heerenberg
Jos Marissink	35 years	Wim Bosman Forwarding 's-Heerenberg
Rober Blankaert	35 years	Wim Bosman Forwarding Belgium
Geoff Baird	30 years	Mainfreight Logistics Dunedin
Greg Howard	30 years	CaroTrans New Jersey
Hemmy de Reus	30 years	Wim Bosman Transport 's-Heerenberg
René Luijmes	30 years	Wim Bosman Transport 's-Heerenberg
Rob Polman	30 years	Wim Bosman Transport 's-Heerenberg
Seila Fiso	30 years	Daily Freight Wellington
Ton Broekhuizen	30 years	Wim Bosman Transport 's-Heerenberg
Wim Marissink	30 years	Wim Bosman Transport 's-Heerenberg
Carol Bausch	25 years	Mainfreight USA New Jersey
Carolyn King	25 years	Mainfreight Air & Ocean Melbourne
Christine Correia	25 years	Mainfreight USA New Jersey
Detlef Hawranke	25 years	Wim Bosman Logistics 's-Heerenberg
Dinie Dijkman-Reessink	25 years	Wim Bosman Holding 's-Heerenberg
Eddy Hermans	25 years	Wim Bosman Logistics Geleen
Erwin Willemsen	25 years	Wim Bosman Holding 's-Heerenberg
Frank Ramakers	25 years	Wim Bosman Logistics Geleen.
Garry Semler	25 years	Mainfreight Transport Adelaide
Hennie Karsten	25 years	Wim Bosman Transport 's-Heerenberg
Jim D'Amico	25 years	Mainfreight USA New Jersey
John Hepworth	25 years	Mainfreight USA
Ken Adams	25 years	Mainfreight Wellington Owner Driver
Leo Meuris	25 years	Wim Bosman Forwarding Belgium
Marc Maerten	25 years	Wim Bosman Forwarding Belgium
Michael Lofaro	25 years	Mainfreight Asia
Mike Freriks	25 years	Wim Bosman Holding 's-Heerenberg
Mirjan Donkers-Liebrand	25 years	Wim Bosman Forwarding 's-Heerenberg
Oscar Rossini	25 years	Mainfreight USA New Jersey
Ramon de Bakker	25 years	Wim Bosman Cross-Dock 's-Heerenberg
Rau Cooper	25 years	Mainfreight Transport Perth
Robin Cook	25 years	Mainfreight Christchurch

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

SERVICE ACHIEVEMENTS

(continued from p47)

Ruud van Buuren	25 years	Wim Bosman Cross-Dock 's-Heerenberg
Sandra Ruikes	25 years	Wim Bosman Holding 's-Heerenberg
Schirelle Wildbore	25 years	Mainfreight Mt Maunganui
Siera Fatu	25 years	Daily Freight Auckland
Steve Scott	25 years	Mainfreight USA - Dallas
Thierry Delbaere	25 years	Wim Bosman Forwarding Belgium
Wayne Mullins	25 years	Mainfreight Napier Owner Driver
Brian Kelly	20 years	Mainfreight Wellington
Bronwyn Wassall	20 years	Mainfreight Air & Ocean Perth
Craig Stewart	20 years	Daily Freight Christchurch
Daisy Attard	20 years	Mainfreight Air & Ocean Melbourne
Darren Richardson	20 years	Mainfreight Hamilton Owner Driver
Doreen Delahunty	20 years	Mainfreight Air & Ocean Christchurch
Edwin Geurts	20 years	Wim Bosman Logistics 's-Heerenberg
Eric Boerboom	20 years	Wim Bosman Logistics 's-Heerenberg
Francis Hennebert	20 years	Wim Bosman Forwarding Belgium
Glen Symons	20 years	Mainfreight Auckland
Joe Yearbury	20 years	Mainfreight Whangarei Driver
John Rawlings	20 years	Owens Transport Sydney
John Wright	20 years	Mainfreight Christchurch
Kym Brett	20 years	Mainfreight National Support Auckland
Luke Farrugia	20 years	Mainfreight Transport Adelaide
Maurice Ruesink	20 years	Wim Bosman Transport 's-Heerenberg
Noel Hughes	20 years	Chemcouriers Auckland
Ray Prideaux	20 years	Mainfreight Palmerston North Owner Driver
René van Houtum	20 years	Mainfreight Logistics Australia
Robert McGrath	20 years	Mainfreight Wellington Owner Driver
Robin Boeijink	20 years	Wim Bosman Forwarding 's-Heerenberg
Roel ten Hagen	20 years	Wim Bosman Transport 's-Heerenberg
Ross Benn	20 years	Mainfreight Air & Ocean Auckland
Ross McDonald	20 years	Mainfreight Palmerston North Owner Driver
Steve Longstaff	20 years	Mainfreight New Plymouth Owner Driver
Tevita Fotofili	20 years	Mainfreight Transport Sydney
Therry Moisan	20 years	Mainfreight France
Todd Chandler	20 years	Mainfreight Air & Ocean Auckland

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

Bereavements

John Newby - Daily Freight Auckland

John Newby was a 36-year legend of the Daily Freight business, an amazing stretch by anyone's standards. John joined Daily Freight back in late 1977 as an office junior and quickly found a niche for himself in the roles of CHEP control and managing the branch archive. It was these two main roles John loved and continued to oversee for the majority of his many years with the group. John was a character of our business, having not only his car, but his shorts and shoes repainted or dyed a lovely shade of Daily Freight red.

John fell unwell early this year and passed peacefully in mid-April. He is missed by all the team.



Russell Hayes – Mainfreight Metro Christchurch

Sadly, after a short illness, Russell passed away on 26 January. Russell had been part of our Metro family for 11 years; starting as an Owner Driver and then for the last 3 years, holding the role of despatcher and doing an outstanding job. He was held in high regard by fellow team members and also by our customers.

Russell has always given back to the community as much as he possibly could. He was Deputy Chief Fire Officer for the Brooklands Volunteer Fire Brigade, a station he was a member of for 33 years. Russell also served the Spencer Park Life Saving Club for 34 years, most recently as Patron and Trustee.

Russell will be dearly missed by all of us and our thoughts are with Jan and family.



Jason Kirwan - Mainfreight USA

Jason got his start in transportation when he was about 6 helping his dad on the dock loading airline containers back in the day! Over the years he has worked in transportation and spent several years with both Target Logistics and then Mainfreight.

Mainfreight is truly a family affair for the Kirwan family he leaves behind, as he was a son to his dad Pat Kirwan (NSC), brother to Jon Kirwan (NSC IT), and cousin to Melissa Holmes (NSC IT). He was also husband to Lisa and father to his two young sons Patrick II and Jason Jr. He was both a good friend and valued team member to all his team mates at the Mainfreight USA Service Center in Phoenix, AZ. He will be missed by his friends, family, and everyone at Mainfreight USA who had the privilege to work with him.



Mainfreight Excellence

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

In the past these achievements have been highlighted in the individual business reports, but our ultimate goal, once all our regions are following a similar methodology, will be to then crown an overall Branch of the Year for the global business

- a spectacular goal for any of our 233 branches everywhere in the world!

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

New Zealand

Branch of the Year

Branch of the Year was awarded to Mainfreight Air & Ocean Christchurch Seafreight – a fantastic result for Elaine Wong and her team showing great results in all areas; revenue growth, profit growth and improved quality. This is a huge milestone for Elaine as she is the first female Branch Manager in

New Zealand to receive this award. Well done to the Christchurch Seafreight team.



Franchise of the Year

At our recent Branch Manager's conference, it was with great pleasure that the award for Franchise of the Year was handed over to Murray Kippenberger from Mainfreight Timaru. Muzz and the team are well known for doing anything, anytime of the day, to get the job done. Well done team.



Salesperson of the Year

One of our up and coming sales stars, Nitaan Glentworth, won the "Jonathan East Salesperson of the Year Award". Nitaan is part of the Mainfreight Auckland sales team, recently moving into the role of Sales Manager – Good Work Mate, now get some more freight!

Nitaan Glentworth, New Zealand Salesperson of the Year with the Jonathan East Memorial Award

Sales Team of the Year

The stand-out team of the year went to the Daily Freight Auckland Sales Team led by Eddy Creedy. They have set a great example of what a tight team can achieve. Great work Guys!

Other Sales Awards

Domestic (Transport and Logistics)

- Most Call Numbers: Hamish Wilson,
 Mainfreight Auckland 1,498
- Most Billed Sales: Hayden Young,
 Daily Freight Auckland \$1.5 million

Air & Ocean

- Most Call Numbers: Paul Lowther, Air & Ocean Auckland – 1,083
- Most Billed Sales: Sonia Taylor,
 Air & Ocean Christchurch \$1.3 million



(L-R) Tim Ottenhof, Hayden Young, Edward Creedy, Richard Aitken

Australia

Branch of the Year

Mainfreight Logistics Sydney Road branch was proclaimed Branch of the Year during the Branch Managers conference in February of this year. Superior performance of the team, strong revenue growth, impressive audit results and last but not least breathtaking presentation of the branch at all times has led to this outstanding achievement. Congratulations to Colm Scully and the entire Sydney Road team!



Liam Hastings and his well-wishers L-R: Brendan Ryan, Dave Scott, Bryan Curtis, René van Houtum, Liam Hastings, Steve Thorogood, Rodd Morgan, Craig Evans

Celebrating the Branch of the Year award with the team L-R: Aladin Basic, Luke van Meel, Nilesh Bhuthadia, Karl Rutherford, Jeremy Collins, Kevin Bradley, Paul Read, Colm Scully (Branch Manager Sydney Rd), Brad Greer, René van Houtum, Di La Velle, Wayne Harris and Paul Fraser

Sales Executive of the Year

Liam Hastings of Chemcouriers Sydney was announced the Australian Sales Executive of the year. Liam has assisted the branch in profit growth of 15% and sales growth of 32.5% for 2013/14 financial year. Liam has bought an intelligent, analytical approach to Sydney Chemcouriers Sales and has developed very strong relationships in a technical sales role with some high profile branded businesses.

Through his success and drive, Liam has now been promoted to Branch Manager of Chemcouriers Sydney. We wish him every success with his new role.

The Americas

Mainfreight USA Branches of the Year

The awards for Branch of the Year were handed out at our awards dinner during our Branch Manager's conference held in February in Huntington Beach, CA. Three Awards were given out to recognize achievements for the best Domestic Branch, Air & Ocean Branch and our Franchise of the year. From those three recipients, Mainfreight USA selected our Branch of the Year.

We are pleased to recognize Chicago Air & Ocean as the Mainfreight Branch of the Year. The Chicago Air & Ocean team are very excited with the award, however, in true Mainfreight fashion, their sights have been set, goals established, and work has begun to return the travelling Springsteen guitar trophy, currently held by CaroTrans Chicago, back to where it belongs:

Mainfreight USA.

Congratulation also goes out to Mainfreight Philadelphia as Domestic Branch of the Year and to Hartford as Franchise of the Year.



Mainfreight Air & Ocean Chicago
Back row: Jon Shaw, Michael Baldus, Jim Hughes, Cynthia Whitehead,
Aaron Nash (Branch Manager), Dave Rogalski, Troy Rybandt
Front Row: Maggie Straebel, Danielle Natzke, Desiree Santos, Olya Ermak, Nicole Militello

Mainfreight USA - Salesperson of the Year

Mainfreight USA recognized Scott Eranger from our Dallas branch as sales person of the year. Scott was also recognized for reaching the Million Dollar Elite group. Six team members reached this level: Alan Nadeau, Dallas; Mike Pilgrim, Houston; Peter Burke. National Service Centre; Silvia Mueller-Thompson, Los Angeles; Brian Heidrich, Los Angeles and Scott. We also recognized Oscar Rossini as most improved for the entire USA sales team.



CaroTrans Branch of the Year Award ...and USA BRANCH OF THE YEAR

CaroTrans Chicago has taken the award of Branch of the Year. Chicago is the epitome of the CaroTrans Team's passion, performance and pride and steadfastly delivered a solid performance throughout the year that led to the branch accomplishing our goals and winning the coveted title.

Being our 35th year anniversary, we were doubly pleased to bring home the Bruce Springsteen Award for the Top USA Branch overall ...Rock on Chicagol.

The Salesperson of the Year Award was presented to Kerry Conn of our New Jersey branch. Kerry is proof positive that passion, dedication and a winning attitude can make anything happen. He has raised the bar to a new level of professional sales performance.

The award for **Top Performing New Sales Team Member** was presented to Tuck Ly from our Los
Angeles Branch. This award recognizes the International
Account Manager, who has been in sales for no more
than two years; who upholds and exemplifies CaroTrans



Grant Morrison congratulates Tuck Ly - great effort!

European Branch of the Year 2013

On February 24 and 25 the Europe Branch Managers Meeting of 2014 took place. On Monday during the Branch Managers Meeting the Awards were presented. The most important Award of the night was the European Branch of the Year 2013. This year it was extra exciting because two branches had the same results. Therefore two Awards have been handed out to the Branch Manager.

European Branch of the Year 2013: Wim Bosman Logistics Geleen (NL) - Rob Zonneveld

European Branch of the Year 2013: Wim Bosman Logistics Genk (BE) - Rob Zonneveld



Andrew Weiss (far right), Chicago Branch Manager, with members of the CaroTrans Chicago Team L-R: Annalisa Marchiafava, Lynn Ocasio, Patti Moran, Debbie Klodzinski, Peter Kowalski, Nicole Bobor



Exceptional Customer Service (Pickle Award)

was presented to Rowina Tauanuu from our Los Angeles Branch in recognition of her commitment to excellence and always going the extra mile. Rowina's attention to detail, the CaroTrans image, and her team, attracts new business and maintains customer loyalty. Rowina's thirteen years of service have been instrumental to the growth and success of the CaroTrans Brand.



Proud winner of the European Branch Award (TWICE!)
Rob Zonneveld, with Dick Betlem (left) and Mark Newman (right)

Sales Conference 2014

Spring has started enthusiastically in Europe. The same enthusiasm was tangible during the yearly European Sales Conference. A good sign since the necessary sales growth we need to realize is challenging.

Sixty European sales team members couldn't wait to cross swords at the medieval castle of 's-Heerenberg. The program contained several elements designed to result in:

- improved co-operation between sales team members
- better understanding of what the Group's and your sales focus is, and to be more successful in sales.

The presentation of sales awards was the highlight of the conference. We want to congratulate and thank the sales team members that exceeded their sales goals. There was also a special recognition for the sales support representatives, without them the outside sales could not be successful.

We want to thank all sales team members for their enthusiasm and input. The feedback on the Sales Conference gives us all the more reason to be confident in our future sales success.

Besides the official Awards there are also a number of prizes awarded to express the appreciation for a number of team members.

Asia

The inaugural Asian Branch of the Year Award was presented this year at a dinner following the Asia Branch Managers meeting in Hong Kong.

This is an award to recognize one of our branches that has performed with excellence across a number of areas, such as financial performance, team development and contribution to our global families growth, to name a few.

Our first winner of this very important award is Mainfreight & CaroTrans Shanghai. We congratulate the whole team in Shanghai for their success in winning the award!

We encourage all branches to challenge yourselves to see if you can win the award next year.

Andy Ling (Branch Manager Mainfreight Shanghai) and Joan Ji (Branch Manager CaroTrans Shanghai) receiving the award. The award is a Crystal replica of a Fish, which in Asia culture is a symbol of abundance and good fortune.



Sales Targets Achieved! L-R: Jon Gundy, Jeroen Bruil, Harald van Schooten, Christine Tisson, Nathaniël Nquyen, Liane Philipsen and Mark Newman



L-R: Clemence Farwick (Creativity Award), Sjoerd van den Bos (Creativity Award), Griet Fleerackers (Support Award), Nadir Dramsy (Took the award for Marie Bissey Sales Talent)), Cissy Wingelaar (Support Award), Hubert Kamphuis (Travel Award), Nathaniël Nquyen (Sales Talent), Matteo Forconi (Travel Award), Alexandru Panait (Sales Award) and Liane Philipsen



The Right People in the Right Seats!

or several years now, Mainfreight's people at many levels have read and enjoyed the books of Jim Collins: "Good to Great", "Built to Last" and others. His view of what makes for a successful organisation echoes our own experience and cultural beliefs. The latest book by Jim Collins, "How the Mighty Fall", includes additional reflection on an earlier concept of "having the right people on your bus".

We encourage everyone to think about this – for those of you who are leading a team within the business: do you have the right people in the right seats – but also for yourself, are you contributing to the best of your potential?

This simple concept has the ability to revolutionise our business – with the right people in place, decisions are made quickly, actions are implemented, personal responsibility and commitment are a given – the whole "blue bus" hums!

What Makes for the "Right People" in Key Seats?

Excerpt from "How the Mighty Fall" - Jim Collins

While the specifics regarding who would be the right people for key seats vary across organizations, our research yields six generic characteristics:

- 1. The Right People Fit with the Company's Core Values. Great companies build almost cult-lke cultures, where those who do not share the institution's values find themselves surrounded by antibodies and ejected like a virus. People often ask, "How do we get people to share our core values?" The answer: you don't. You hire people who already have a predisposition to your core values, and hang on to them.
- 2. The Right People Don't Need to be Tightly Managed. The moment you feel the need to tightly manage someone, you might have made a hiring mistake. If you have the right people, you don't need to spend a lot of time "motivating" or "managing" them. They'll be productively neurotic, self-motivated and self-disciplined, compulsively driven to do the best they can because it's simply part of their DNA.
- The Right People Understand that They Do Not Have "Jobs"; They Have Responsibilities.

- They grasp the difference between their task list and their true responsibilities. The right people can complete the statement, "I am the one person ultimately responsible for \dots ".
- **4.** The Right People Fulfil Their Commitments. In a culture of discipline, people view commitments as sacred they do what they say, without complaint. Equally, this means that they take great care in saying what they will do, careful to never overcommit or to promise what they cannot deliver.
- 5. The Right People are Passionate about the Company and Its Work. Nothing great happens without passion, and the right people display remarkable intensity.
- 6. The Right People Display "Window and Mirror" Maturity. When things go well, the right people point out the window, giving credit to factors other than themselves; they shine a light on other people who contributed to the success and take little credit themselves. Yet when things go awry, they do not blame circumstances or other people for setbacks and failures; they point in the mirror and say, "I'm responsible."





Marianna Hernandez (CaroTrans Chile) & Caren Garcia (Fisher & Paykel) at Valparaiso Marathon



Jodie Dirksen (Mainfreight Air & Ocean Adelaide) conquering one of the many challenges of her Outward Bound experience



Don't worry Bruce, you'll always be the big man of freight to us! (L-R: Bryan Curtis, Mainfreight Transport Australia; Bruce Plested; Jaxson Taylor, Mainfreight Canberra)



It's funny how freight looks the same all over the world two recent consignments loaded in `s-Heerenberg and Auckland!



Bairds Mainfreight Primary School - Trolley Derby!



Proof that our customers love our calendar artwork



Sander Elfring recently completed the 15km Montferland Run in 's-Heerenberg. Great effort Sander!

Feedback

From: Camella Nelson

Sent: Friday, 2 May 2014 11:15 **To:** Donna Barrett (IT & Training)

Good morning Donna

On behalf of the staff and students at Okaihau Primary, I would like to thank you for giving us the old Mainfreight computers to use at our school. It was perfect timing with 2 laptops stolen at the end of last year and a couple other computers giving up on us. They are all in good use in the classrooms and we really appreciate your generosity.

Please find attached a small collage of photos of the children hard at work J

Once again, thank you so much.

Regards Camella Nelson Okaihau Primary School



From: Bruijne, J

Sent: Saturday, 26 April 2014 12:46

To: Shari Pieneman

Subject: Roadside assistance Wim Bosman

On April 24, we came back from a birthday with relatives in Germany. Kars just had his motorcycle license, and therefore it was exciting to drive at night down the highway. It went fine, until about 8 kilometers from the city of Groningen (NL). The engine began to sputter, the capacity fell away and just in time, we were able to go to the emergency lane. The motor was out of gasoline. We were walking with our motor over the unlit emergency lane...

All of a sudden we saw a truck slowing down and stop about 100m in front of us. "Wow did he also had bad luck?". It turned out to be J. te Lindert, a driver of Wim Bosman. He saw us walking and thought it was way too dangerous

and decided to bring us to the nearest gas station. But unfortunately at half past one at night there are no gas stations open. Johan quickly had another solution, he would drop us at home! His truck had a tail lift whereby the motor could be easily driven into the truck. After this activity we could ride with him in the warm cabin. We were speechless. Who expected this today? Fifteen minutes later we were home, still blown away. We would like to say a big fat thank you to Johan, but also to the policy "safety first" of the company. Great! You are an example to many others! Many thanks! Kars and Josine



Johan te Lindert to the rescue!





Aaron Rowe turns 9 in July - Happy Birthday!

Aaron is one of the children that will benefit from the Professionals Big Rigs fundraising campaign for Manawatu Child Cancer Foundation held earlier in the year and wellsupported by Mainfreight and Owens



From: Richette Rodger

Sent: Monday, 10 March 2014 12:12 a.m.

To: 'Mitch Gregor (MFT AKL)'
Subject: Otahuhu Health Expo

Hi Mitch,

I just wanted to drop you a quick e-mail to, on behalf of the Otahuhu Community, thank you and Mainfreight once again for supporting the first Otahuhu Health Expo.

It was an awesome event with over 40+ stall holders ranging from addictions services, family violence, mental health and physical body health awareness.

The sausage sizzle went down a treat with lines all day. I have attached a few photos of the event including the BBO's and Hayden's truck (used as a stage) bouncing around with the Zumba team on it, good thing he has great shocks!! Thanks again it's awesome to see large businesses supporting the local community.

Regards,

Richette Rodger

Town Manager - Otahuhu Mainstreet & Commercial Assn Inc.

From: Donald B

Date: 27 May 2014 11:32:45 am NZST **Subject:** Exceptional performance

Good morning Carl,

I would like you to pass on our thanks to Mikala Smith in your Wellington office for her handling of an urgent situation that arose yesterday.

We needed to ship essential medical equipment from Christchurch to Wellington for a research ship that was departing at midday today. As the device contained Lead acid batteries and was travelling under a DG declaration we could not fly the device.

Mikala coordinated the collection of the device from us and its delivery to the Wellington depot, where the ships agent collected it this morning.

It was a pleasure to deal with Mikala as nothing was perceived to be a problem and a very relieved Paramedic received his defibrillator back in time for their departure to Australia.

Again, thanks to Mikala and the team at Mainfreight we were able to meet our customers' requirements on incredibly tight deadlines and under unusual circumstances.

Kind regards,

Donald

----Original Message----

From: Greg N

Sent: 3/04/2014 2:26:00 p.m.

To: Hamish Quinn (Owens AKL); Mike Swindells (FTL TRG); Kevin Babbington

Subject: Customer Service

Hi Hamish & Mike

Thank you for the extra-mile service you and your teams have provided us over the past 48 hours in arranging the urgent delivery of our container from Auckland to Christchurch.

The poor management of this delivery by our North American suppliers freight provider placed a very real, unacceptable risk on our business, and without the support that the wider Owens / Mainfreight entity provided we would have been in a serious predicament.

We were impressed with and appreciate the manner in which your company managed and resolved this situation for us.

Kind regards

Greg



From: Gwen D

Sent: Monday, 2 December 2013 14:25

To: Info

Subject: Mainfreight 2Home, New Plymouth Exceptional Service

Message:

Darel Theobald and Steve Davis from your company have just delivered a sofa to us from Farmers. It was extremely difficult for them as the sofa would not come through the door. Eventually it had to be lifted onto our balcony then a patio door had to be taken off then replaced. Darel and Steve did an amazing job and we can't thank them enough. Will you please ensure that the bosses of your company are notified.

Thank you. Gwen Davis

From: Tori R

Sent: Tuesday, 3 June 2014 12:21 PM

To: Ashley Taylor

Subject: Mr Peter Mayfield

Dear Ashley,

I am emailing you to let you know that one of your drivers needs to be commended.

On Sunday 18 May my mum and I were driving to Sydney. We were about one hour out of Newcastle, it was extremely late and very remote. My mum became extremely sick and passed out (whilst driving).

I managed to get the car off to the side of the road and get my mum out of the car. She became extremely ill and was sick on the side of the road but was passing in and out. Many, many vehicles and trucks drove past us that night but one truck did pull over in front of us. This gentleman came running over to us, then went to his truck to bring us water and a towel. He even took his jacket off and placed it over my mum as it was freezing cold. He called an ambulance and stayed with us both until the Paramedics arrived. He left me with his number so that I could call him and tell him how mum was doing. Mum stayed in Newcastle hospital having CT Scans and X-rays. She is now on the mend and having further testing done.

The reason for this email is to say THANK YOU to this driver, I have personally emailed him today also. What a true gentleman he is, the ONLY person to stop to help two ladies alone in the middle of nowhere at night.

I am not sure if this email gets to the right department as he didn't want to give me his managers details as he said "very happy to help and no thanks needed".

The gentleman's name is PETER MAYFIELD and he was driving a blue MAINFREIGHT truck with two trailers. This was on Sunday night 18 May heading to Sydney from Brisbane I'm sure he said.

Please can you commend this driver for his gentle, calm help. If only there were more people in this world like him.

Again, thank you. Kindest regards Victoria

From: Ashley Taylor

Sent: Sunday, 20 April 2014 12:25 PM

To: Bruce Plested; Don Braid; Rodd Morgan; Bryan Curtis

Subject: Thank you

Bruce and Don

Five years ago when I walked through the door at Coopers Plains I was described as looking like a possum staring into a set of headlights – who would have thought that we would now be sitting in this breathtaking building.

The smiles and pride the team show when seeing this unbelievable depot for the first time is humbling. The two days of moving in was visibly an emotional moment especially for the team who have seen what was to what is now.

On behalf of our passionate and dedicated Brisbane Team I would like to personally thank you for having the trust and belief in investing such a huge amount in Brisbane.

Regards, Ashley Taylor





From: Luke D

Sent: 10/12/2013 12:33:38 PM

To: Bryan Curtis; Peter Wilson; Stuart Simpson; Ashley Taylor; Steven Turner; Jay Bax

Subject: Thanks to Mainfreight QLD

Hi Guys

A quick note to acknowledge and thank the Mainfreight Team, particularly Jay Bax, Steve Turner and driver Tom, for their help with our new Townsville North Warehouse's opening celebration.



Having struggled to find a suitable temporary stage to hire in Townsville our QLD Marketing Manager called me to ask if there was a truck in Townsville we could borrow to use as a stage for the short concert on Friday night. One call to Jay and the offer was made to use a Mainfreight truck. One word to Steve and it was organised, with the truck showing up looking sparkling. The driver was fantastic working in with our team to position the truck and take care not to damage our new car park. As you can see from the attached photos the truck worked perfectly as a stage, with over two thousand customers enjoying Reece Masten (X-Factor winner) performing for close to an hour. Tom then returned very late in the evening to collect the trailer.

Thanks again for your help, it was great to see that Mainfreight respond so well to another unusual request and come through with flying colours yet again! Please pass on our thanks to Tom as well for his help on the night.

Regards, Luke D

From: warehouse

Sent: 18/12/2013 12:12:22 PM

To: Bryan Curtis

Subject: OUTSTANDING SERVICE!!

Hi Brian,

I just thought I would send you a quick note let you know about the outstanding service we have received over the last couple of months from your MFD and Metro teams around Australia.

We have been rolling out a new coffee machine to all stores across the country.

We have sent out over 450 pallets in the past 6 weeks with the majority of those leaving here in a 5 day period at the start of November and again at the start of December.

All of the drivers picking up and delivering have been great especially seeing as though our loading area is quite small. The Melbourne Metro team did a fantastic job in getting everything in the required timeframe considering they had the least amount of time to do it in.

An especially big THANK YOU to James Bennett who assisted me all along the way from planning to delivery and didn't take his eye of the ball once. Also to Nick in the MFD Melbourne ops team who patiently waited for daily pallet numbers and all of the changes along the way, keeping me updated with daily phone calls to let me know everything was on track.

From our team to the MFD & Metro teams around Australia. THANK YOU

Regards, Wayne H

From: Damian

Sent: Tuesday, 8 April 2014 13:59
To: Oriana Laumea [MF Wharf AKL]
Cc: lan Graham (MFAO AKL)
Subject: RE: Container

Hi Oriana,

I want to personally thank you so much for getting my container uplifted today. I know you had to shuffle things around, so you could do this for me. I have been with Mainfreight for over 10 years, and this is one of the reasons why I like being a customer of your company, if you guys can, you always will go the extra mile for your customers. Its most appreciated.

Kind regards Damian

















ALWAYS ON THE LOOKOUT FOR YOUNG TALENT!

Stick with it, Haupokia!



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