



fastforward

a business update from Maritime Transport

Welcome to Fast Forward. Read about the latest developments at Maritime Transport.



Maritime appointed sole contractor to CSAV



I.T.'s all about performance



Bumper order boost trailer fleet



Upbeat in a downbeat market

The economic slowdown and uncertainty brought about by the credit crunch and rapid rise in global commodity prices has quickly followed one of the busiest periods of international trade in recent years.

In the case of the container industry, transport costs have risen substantially, in a low margin sector. Fuel prices are up 50% since the beginning of 2007. As well as higher fuel surcharges, another consequence has been an escalation in fuel thefts. Wage inflation too, is under pressure because of rising food and energy prices.

At Maritime, there is little we can do to influence things outside of our control. However, by investing in and developing the business in the way that we have, over the last seven years, we are in good shape to manage the challenges and continue to provide a great service to our customers.

We have enjoyed a good first half to the year and we are delighted that Chilean line, CSAV, appointed Maritime as their sole contractor, in a competitive tender process, at the beginning of June.

In a separate, joint initiative with JF Hillebrand, the world's leading drinks freight forwarder, we have taken a step into rail operations and now manage their 'Wine Train', launched in January. This is an exciting new development into intermodal operations, which could bring more opportunities for us.

As we went to press, Maritime acquired the freehold on the London Container Services

(LCS) site in Leeds. This is a major development as we look to secure strategic footholds in key areas to support the business going forward.

At the same time, we have 170 truck replacements and additions to the fleet to keep pace with our growth and to ensure

that we meet the high service expectations of all our customers.

We are very appreciative of all our customers and on behalf of my management team, I would like to thank you for your continued support.



New trucks roll in

This year, Maritime will put 170 new trucks on the road. Over one third of the new vehicles will be additions to the fleet. The remainder are replacements for vehicles at the end of their lifecycle. The trucks are the very latest, state-of-the-art tractor units complete with Euro 4 and Euro 5 engines for reduced carbon emissions and even greater reliability.

Hot for the Chileans



Maritime Transport has been appointed as the sole contractor to the Chilean national flag carrier, Compañía Sud Americana de Vapores (CSAV). Under the new arrangement, Maritime is responsible for the management of both road and rail transport activities, as well as the performance of all transport moves by road.

"We are delighted to have been appointed by CSAV as their transport partner in the UK", said John Williams, Managing Director of Maritime Transport. "This is an exciting development for Maritime and further strengthens our presence and capability at Felixstowe and Tilbury".

"Maritime is an extremely competent and

professional organisation and we are very pleased to have them as our transport partner as we expand our business in the UK," commented Mike Finn, Managing Director, CSAV (UK) Ltd. "Key to our decision to appoint Maritime was the strength of their network and their ability to deliver a highly flexible service for our customers".

A dedicated contract team of five under the supervision of Martin Brewster, Contract Manager, has been created to manage the CSAV operation. The team is based at Seaforth, in Liverpool. A pool of 40 vehicles forms the core fleet with additional resources from Maritime's networked fleet of 750 trucks. The new contract commenced on 1st. June.

TISS cutting thefts

With the average cost of diesel at £1.30 a litre at the pumps and a lorry fill up now over £500 a time, HGV fuel thefts are on the increase across the country. Several well-known truck stops are now recognised hotspots for fuel theft.

In response, Maritime has installed an anti-siphon to all trucks on the fleet. 'Tanksafe' made by TISS is the only impregnable anti-siphon available in the UK designed to prevent fuel skimming and spillage.

"By making it harder for thieves, through driver vigilance and anti-siphon technology, we will reduce the risk of being targeted and victims of an increasingly costly crime", explained Derek Daly, Fleet Director.



It's a corker

A joint initiative between JF Hillebrand, the UK's leading wine importer and Maritime has seen a marked increase in the quantity of containers of wine transported by rail. The project, to transport large volumes of wine by rail, took over a year to get off the ground and the service made its 'maiden voyage' in January this year. Marketed as an eco-friendly solution for lower carbon emissions, the 'Wine Train' has got off to a flying start.

Each train now transports around 350,000 bottles of wine. At time of going to press, just over 70 % of the containers for Hillebrand's 'Top Four' customers to Daventry were being transported by rail.

Maritime is instrumental in the managing the process, planning the train and ensuring that the road leg is completed as efficiently as possible. Traffic operator, Toni Sullivan, is now based at Hillebrand's Head Office in West Thurrock as the train coordinator, making sure that the operation runs smoothly.

The locomotive has been contracted from Logico (a Freightliner subsidiary) and consists of ten 60' wagons. It runs to and from Tilbury and Daventry International Rail Freight terminal (DIRFT) every day.

The train positions the containers in the heart of "golden triangle" of Northampton, Coventry, Lutterworth and Corby and the distribution centres of the UK's major wine retailers for onward delivery to the supermarkets.



From Left to Right: David Mawer (Joint MD JF Hillebrand UK), Peter Maybury (MD Freightliner), Tom Yusef (JF Hillebrand Executive Board), Lord Berkeley (Chairman Rail Freight Group), Dave Boomer (Operations Director Maritime Transport), Jeremy Hawkins (Head of Logistics, Fosters EMEA)

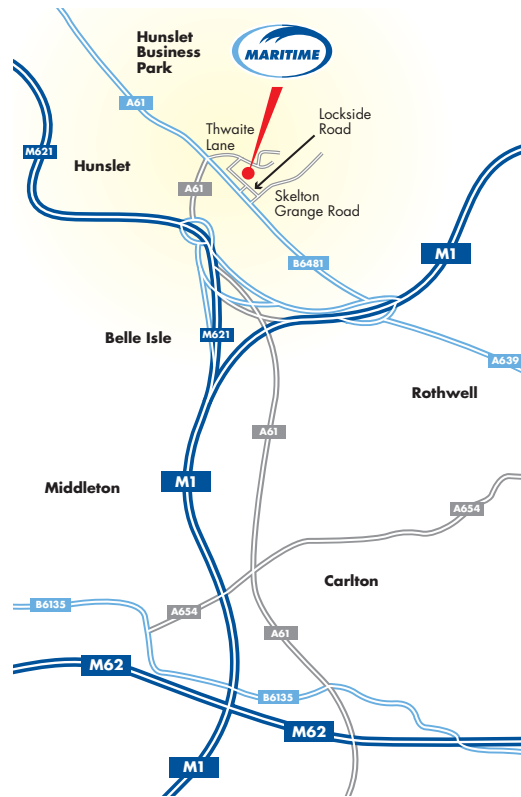
Freehold first for Leeds

Maritime has acquired the freehold site of container storage operator, London Container Services (LCS), in Leeds. The 3-acre facility is located in Stourton only a short distance from the existing Leeds Depot and is the first, freehold operating centre the Company has acquired. The site is ideally located in the Northeast with excellent links to the M1 and M62 motorways.

The new depot will be available for occupation once LCS has vacated the site at the end of the year. Eventually, the site will become a flagship operating centre with first class facilities and will set a new standard for future freehold depot acquisitions for Maritime.

The Leeds Depot was only established in 2005 and has quickly become a cornerstone of the depot network, serving the Northeast from and to the deep sea and feeder container ports and railheads. This is a very significant investment in the container sector at a time of slowing demand when other companies are contracting their

businesses and demonstrates Maritime's long-term commitment to the industry and enormous confidence in the management team at Leeds.



Investment in I.T.

Maritime has made a significant investment to upgrade its I.T. infrastructure, following a comprehensive review of the Company's future systems requirements.

In total, over £200,000 has been spent to increase the processing power and capacity of its I.T. system and to improve the overall user performance for customers and staff.

The new hardware now houses Maritime's traffic operating system, TOPS, as well as its accounts and personnel software, Navision and Team Trak. The enhancement increases the disk capacity by 750%, memory by 350% and the central processing unit (CPU), which determines the speed of user response, by a staggering 450%. It will also help to build-in additional processing power and capacity, effectively 'future proofing' the Company's I.T. hardware.

"This hardware investment gives us the platform to increase its business by as much as 50% before a further upgrade is required", said Maritime's I.T. General Manager, Tim Goddard.

Team building at Maritime



From left to right: Steve Witter, Lee Ball and Darren Heyhoe.

Maritime has strengthened its operations management team with three deserving promotions at Leeds, Manchester and Tilbury. Darren Heyhoe has been appointed Leeds Depot Manager, after a career with Maritime where he spent time in operations roles at Birmingham, Manchester and most recently as the Leeds Depot Supervisor.

Lee Ball has been promoted to Depot Supervisor at Tilbury. Lee has been part of

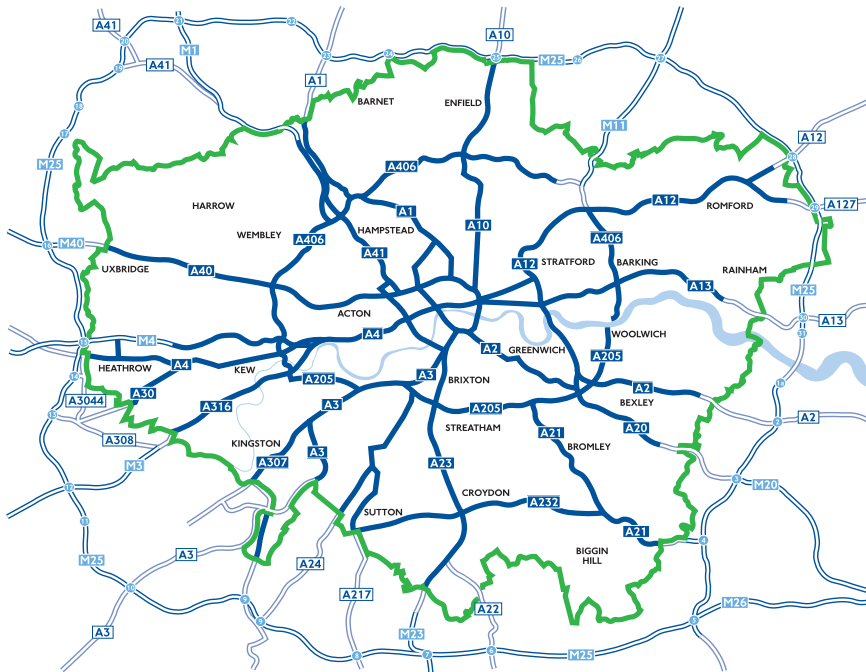
the backbone of the London-based operation since he joined the Company in 2000, as traffic operator and as senior traffic operator and this appointment acknowledges Lee's capability, commitment and loyalty to Maritime over many years.

In a similar move, Steve Witter has become Depot Supervisor at Manchester. Steve joined Maritime in 2004, as part of the then CMA CGM contract team. When the team

was disbanded in 2005, Steve moved to the Liverpool depot where he cut his teeth in operations. He moved to Manchester in 2007, as traffic operator, before his promotion.

"Team building is a continuous process to ensure the structure is in place to handle our growth", said John Williams, Managing Director. "These three internal appointments strengthen the management team and give us the resources and flexibility to respond to new opportunities and changing customer requirements."

LEZ compliant for lower emissions



The country's first and currently only Low Emission Zone (LEZ) was created in London last February and is applicable to all HGVs entering the Capital. The LEZ is an area circling London within the M25 orbital motorway. HGV vehicles now have to be built to Euro 3 standard or higher to comply without penalty. The purpose of the LEZ is to discourage polluting vehicles that fail to meet this basic requirement by forcing operators to pay £200 a day. The penalty for non-payment is a staggering £1,000 per occasion. From 2012, the year of the London Olympics, the threshold will be raised to Euro 4.



With the average age of vehicles on the fleet under 12 months, Maritime is already fully compliant and way ahead of the minimum environmental requirements set for London. Many of the vehicles on Maritime's fleet are Euro 5 standard and the Company is already looking at the next generation Euro 6 engine.

Other UK cities are watching the developments of the London LEZ with interest. Environmentalists are calling for a national rather than a local scheme. So the concept may well spread to other parts of the country. The big question is the benefit. The London LEZ cost £57m to set up and nearly £11m per annum to run and although the penalties are high, the annual income predicted from the scheme is less than the associated running costs. Whatever happens, Maritime's green fleet of Euro 4 and Euro 5 trucks is leading the way.

Bumper trailer order

100 new skeletal trailers are on order, taking Maritime's dedicated skeletal trailer fleet to 650. The trailers are being manufactured in Northern Ireland by SDC and supplied to Maritime through the Company's trailer partner, Hill Hire. Built to Maritime's specification, the new units feature the latest trailer technology including brake parking sensors and permanent LED lights.

All of the trailers will be on the fleet from September this year.

In a separate order, Maritime has purchased 12 splitter trailers from D-Tec in Holland. The trailers will replace older draw-bar combinations on the fleet, bringing greater carrying flexibility. The splitter trailers can handle 1 x 40', as well as 2 x 20' containers.



Tilbury's going great

Maritime has taken a further acre at Tilbury. The additional land immediately adjacent to the current site has been acquired to support the business at Tilbury, which is also home for fleet sales activity, secondhandtrucks.co.uk.

According to Dave Boomer, Operations Director, "Our success at Tilbury has increased the amount of trucks based at the port and given the growth of our fleet sales activity, the decision to expand coincided with additional land becoming available adjacent to our existing site".

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