

## Latest News

10th May 2011 - Elite Transport are very pleased to announce the acquisition of the container haulage business interests of Matthews International Transport Ltd.

The move swells the fleet by 50 trucks and trailers and expands Elite's strategically placed network to 8 depots across the UK further strengthening the Company's presence in Felixstowe.

## Matthews

Andy Frost, MD at Elite stated, *"This strategic acquisition is a clear demonstration of the Board's stated ambition to expand the business to become one of the top three container hauliers in the UK. It builds on our existing depot infrastructure, strengthens our presence in Felixstowe and expands our customer base to include short sea operators."*

*I am delighted with the acquisition and look forward to the future with renewed optimism."*

It is our intention to achieve a seamless integration of the former Matthews business into Elite and from a customer and traffic operations perspective there will be no immediate changes, with all day to day contact continuing to be managed by the same former Matthews staff from their base in Great Yarmouth. However we will migrate some back office function, including admin and invoicing to our existing Head Office and systems. In the short term and until fully integrated, all invoices and correspondence will be issued in the name of 'Elite Transport Services Ltd incorporating Matthews Container Transport'.



For any questions or queries you may have about this acquisition please contact Brian Walker, Commercial Director at Elite; or for any accounts or invoicing queries please call our Accounts team in Manchester on 0161 755 0022.

## Location, location, location

*Elite's Manchester Head Office moves into its new home*



Elite are delighted to announce that as of 3<sup>rd</sup> May 2011 we have now taken full occupancy of our new 5.5 acre site within Trafford Park, Manchester. Construction of new state-of-the-art office accommodation (pictured above) for the Head Office and Manchester depot has been completed. Phase Two of the development will see the installation of a new open-access fuel filling station complete with Ad Blue and red diesel availability and the capability to fuel 8 vehicles simultaneously. Further development will include secure third-party overnight parking and driver welfare facilities for circa 100 trucks in the heart of the North West's leading industrial area.

Andy Frost, Elite MD, commented *"The substantial investment in the new site further demonstrates the Board's commitment to taking the Company forward to become one of the top three operators in the UK container haulage sector. We are now a fully independent and self reliant haulier and look to the future with great optimism."*

## Elite's Leeds operation relocates to new premises

We are also pleased to announce that as of 4<sup>th</sup> April 2011 Elite's Leeds office and depot operations have been relocated to a strategically placed larger and independently operated site in Hunslet. The new site is within 1 mile of our former location at the Containerbase Stourton and retains the same ease of access to the Leeds motorway network, northern railheads and containerbases. The move provides Elite with greater independence and the opportunity to expand our operations further to include such facilities as realistically priced secure sub-contractor parking.

Steve Nixon, Elite's newly appointed North East Operations Manager based in Leeds, said, *"This move shows the commitment from Elite that as a business we are driving our growth strategy forward, and this new depot has all the ingredients to make Elite a market leader in the Container Industry in the North East."*

For address details of both new sites please visit [www.elitetransport.co.uk](http://www.elitetransport.co.uk) and click on Manchester or Leeds on the 'Our Locations' interactive map.

## *Elite to sponsor at IFW Awards for second year*

For the second year in succession Elite Transport are delighted to sponsor the Large Freight Forwarder of Year category at the prestigious IFW Awards. The IFW Awards is now recognised as the most renowned ceremony of its kind in global shipping and is an excellent economic vehicle to advertise and promote our Company to a global

audience. As we continue to grow and become one of the top 5 companies in our sector it is important that our brand becomes instantly recognized by some of the most influential people in shipping and freight forwarding. There is no doubt we increased our profile after last years event, we therefore acted quickly to secure the sponsor for freight forwarder category in 2011 as a result of our quick decisions we saw off companies such as Virgin Atlantic who were very keen to sponsor this category.

Organisers of the IFW Awards are anticipating the 2011 event will be the most successful yet. During last year's gala, held at London's Hilton on Park Lane, 14 companies and two individuals walked away with a prestigious IFW Award, the international freight industry's premier prize. The 2010 Awards was among the most successful since the event was launched 15 years ago, with more than 600 freight professionals attending.



## *Boxing clever through Liverpool*

Liverpool is ranked among Britain's and Northern Europe's major container ports and handles nearly 700,000 teus (20ft container units) per year.

The Port maintains its traditional prominence in Britain's container trade with North America while expanding its global routes and now serves more than 100+ non-EU destinations from China to India, Africa, Australia, the Middle East and South America. Liverpool is the UK's leading gateway for imports of grain and animal feed, for the export of recycled metal and the movement of freight between Britain and Ireland.

Other commodities handled on the 1,200 acres of operational docks on both banks of the River Mersey include timber and forest products - some of it delivered on daily trains from Germany and Italy via the Channel Tunnel, approximately 11 million tonnes of crude oil for Shell's Stanlow Refinery in Cheshire, imports of coal amounting to 3 million tonnes a year, nearly 1 million tonnes of edible oils and fats, cocoa, steel, copper, aluminium and other metals, granite, chemicals and general cargo, plus approaching three quarters of a million people travelling on Irish Sea ferry services and the growing number of cruise ships embarking passengers and making day calls at the port. Liverpool is planning a second container terminal to be built in the River Mersey at a cost of £100 million and able to simultaneously accommodate two of the new generation post-Panamax container ships. The new facility, capable of handling 500,000 teus a year, will almost double Liverpool's container capacity to nearly 1,500,000 teus.

Meanwhile, the performance of the established Royal Seaforth Container Terminal has been enhanced by the introduction of a sixth ship-to-shore gantry crane serving four deepsea berths.

When coupled with the construction of Peel's Port Salford just outside Manchester on the Manchester Ship Canal, which begins in August this year, the North West should see regular substantial sea-trade increases which Elite are ideally placed to take advantage of.



Liverpool's iconic Pier Head building

## *Update from Andy Frost, Managing Director*

"The recent extended Easter holiday period, to include the day of the Royal wedding, proved very testing operationally with shortened working weeks seeing unprecedented levels of demand from our expanding customer base.

Unfortunately, and in the main due to high demand and circumstances entirely beyond any hauliers control, including volume related congestion and delays at railhead terminals and ports, the container haulage community in general fell short of the normal high levels of service delivery that customers in the sector have become accustomed to.

To any Elite customer effected by these issues I sincerely apologise and assure you that we will do all we can to ensure that there is no repetition and that when circumstances beyond our control result in service disruption we will offer by way of recovery the best available solution.

Whilst extremely busy during the Bank Holiday period, the cost of normal Bank Holiday pay plus the additional cost arising from the Board's decision to pay all their staff and drivers their normal rate of pay on the day of the Royal wedding meant that the financial performance during April wasn't what it would otherwise have been given the level of activity. Nevertheless we move forward with great optimism into a hoped-for period of demand stability with a steady build through to our traditional peak period of pre-Christmas trading.

The presently unanswerable question is will the peak season come early this year if, as a result of last year's pre Christmas weather disruption, the major retailers move stock in earlier than they normally would? Your guess is as good as mine, or anyone else's, and only time will tell."

*Andy*

## State of the Sector



A leading intermodal sector focussed publication recently warned that container shipping lines should prepare for rough financial waters in Quarter 2 of 2011. It reported that container lines will see their financial performance worsen in the second quarter as weakening seafreight rates and rising operating costs hit their bottom line.

In Quarter 1 container shipping lines had mixed fortunes with Maersk reporting a positive 7% operating margin whilst CSAV reported a minus 13% margin. Hopes for a rapid and sustained recovery in the container shipping market have now evaporated with no signs of any increase in freight rates. Carriers had initially warned that freight rates would rise as a shortage of vessel availability and containers would force the rates up. However these failed to materialise as new vessels came into service and new container equipment came on stream.

Most of the shipping lines have attempted and failed to implement a General Rate Increase (GRI) on the Asia to North Europe trade route. Some which were planned to be implemented on 1st June have been postponed to 1st July 2011 and there has been speculation that prices on the westbound Asia - Europe trade have dipped to almost below cost.

Freight Forwarders in China are reported as saying that there is a sense of desperation amongst the shipping lines as they chase cargo even whilst reporting that their vessels are running at near full levels. Some industry commentators believe that rates won't increase until such times as carriers lay up vessels and restrict supply and thereby force up the rates. However it is thought unlikely that any carrier will be brave enough to follow this course of action as it would benefit their rivals.

Whilst laying up vessels to force rates up is an option the carriers are moving to order ever increasing larger vessels. Maersk announced earlier this year that it had placed orders for the building of 10 Triple E Class vessels (*artists impression above*) capable of carrying 18,000 teu each, and CMA announced that three of the vessels it currently has on order will be increased in size from 13,000 teu to 16,000 teu. Sector analysts have reported that the unrestrained vessel ordering in the past 12 months could lead to oversupply problems and 2013 could see a record number of ships delivered.

The continuing downward trend in seafreight rates can only impact on the profitability of the carriers and the consequential effect this may have on the UK road haulage rates could prove devastating in a sector which is still trying to recover from the last round of swingeing rate cuts.

## Embarrassing staff pictures – Guess who!

Can you guess who this dapper chap is? Or perhaps it's one of our Elite ladies? The cheeky pointing finger, in a Dr. Evil style, suggests a playful personality. As for the on-the-knees, sidesaddle pose though... well that's not a position I have ever found myself in.

If you think you know who this is then email your guess to [haveyoursay@elitetransport.co.uk](mailto:haveyoursay@elitetransport.co.uk) for your chance to expose our very own secret James Bond wannabe! If you have any funny or embarrassing pictures of staff that you would like to publicly ridicule share, then get in touch!



## Staff Announcements

Two new appointments to the operations team were Steve Nixon & Gareth Heaton. Steve Nixon joined us in March 2011 as North East Operations Manager based in Leeds. Steve brings a wealth of knowledge to Elite with more than 20 years experience within the haulage industry, previously employed as Depot Manager at a large Container Haulier in Leeds.



Gareth Heaton joined Elite in February 2011 as UK Operations Manager; he has an extensive knowledge and experience of the Container Logistics industry having spent more than 15 years within it. Having worked previously for DHL & Roadways Container Logistics I am sure his expertise in Operational Planning, Resource & Volume Management and customer services will compliment the newly-formed planning team.

*May 2011:* We are delighted to announce that Ryan Webb will assume the position of Acting Depot Supervisor for Elite Southampton. His new position is part of his ongoing training within the Elite Management Trainee programme, and as part of this new role he will assume responsibility for all aspects of administration and operations within the Southampton operation, reporting to Ryan Jiggins.

We are also pleased to announce that James Sterland has accepted the position of Depot Manager for Elite Southampton, this role is in addition to his current role as Depot Manager for Elite Bristol. He will take full operational, administrative and managerial responsibility for both depots from Monday the 30th May, reporting to Ryan Jiggins. To support James within his new role, Ryan Webb will also become Acting Depot Supervisor for Bristol. Between them they will ensure that both depots are given the necessary support and guidance in order to achieve the required targets.

We were also pleased to secure the appointment of Aaron Johnson in April as an Office Junior/ Trainee Operator within our Bristol operation, reporting to James Sterland. Aaron has joined the Elite Academy on the Trainee Programme.

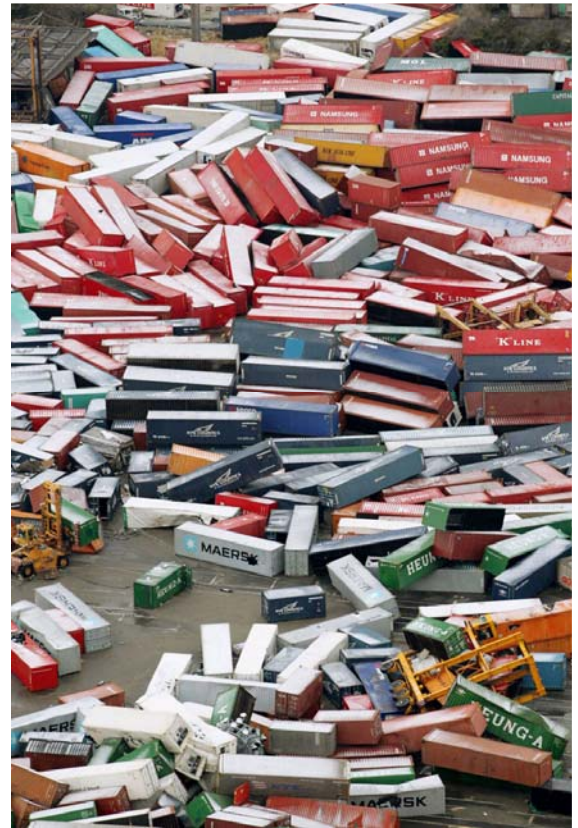
*I am sure you will join me in welcoming all our new starters to our organisation, giving them all your support and wishing them every success for the future.*

## In Sympathy

It is with deepest regret to announce that one of our Elite colleagues, Tommy Byrne, who worked in our Bristol depot, passed away in February this year. Sincere condolences to his wife Carol and his family from everyone at Elite, we pass on our best wishes and our thoughts are with you at this difficult time.



Tommy Byrne



## Japan's clean-up nightmare

An amazing picture of cargo containers and straddle cranes scattered like Lego bricks at Sendai Port in Northern Japan, which was hit hardest by the earthquake and tsunami in April. And with regular, large aftershocks still hitting the region for some time afterwards, the clean up operation could take a very long time. The true impact on our industry and that of Japanese-made export goods is perhaps yet still to be seen.

*Do you have anything you would like to contribute and be included in the next issue of The Elitist? We need your input, because this newsletter has been designed to be "for the staff, by the staff".*

*So don't lose your voice, contact The Elitist now to make your suggestions for articles, stories, messages etc and keep this newsletter relevant to **you!** Email The Elitist editorial team on [haveyoursay@elitetransport.co.uk](mailto:haveyoursay@elitetransport.co.uk)*

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## And finally... *“Top green, fuel-saving driving tips”*



As fuel prices continue to rise with no sign of a reprieve on the horizon, people are changing the way they drive to cut down on expensive trips to the pumps and at the same time lower CO2 emissions – its all about mpg not mph these days. We at The Elitist have put together some of the best ways to make your fuel go further and reduce your carbon footprint, and most are simple to achieve.

### *Keep your tyres fully inflated*

Under-inflated tyres cause rolling resistance so your engine has to work harder. Tyres at the right pressure and in good condition will help to cut costs and emissions by reducing fuel consumption. Make sure you check your tyre pressures regularly, once a fortnight is recommended.

### *Keep your car serviced*

Component parts wear out over time, making your car less efficient. Replace worn parts promptly and clean pipes and filters regularly and keep your car regularly serviced.

### *Plan your journey*

Look at a map before you set off on unfamiliar journeys to work out shortest or most economical route – major roads are better on mpg but may be longer. Getting lost or back-tracking is costing you money. And try to combine trips or errands into one journey rather than making multiple short trips.

### *Downsize*

Consider changing your car for something more economical and suited to your driving habits. Do you really need a 2.0 litre petrol when a 1.3 diesel is adequate and will save you money on not only on fuel bills but also car tax?

### *Walk!*

If your journey is less than a mile just walk or cycle rather than take the car out. It will help the environment, its healthy for you and it will save you money.

### *Drive smoothly and don't speed*

Harsh braking and acceleration uses up to 30% more fuel, while increasing wear and tear. Drive smoothly and consistently as much as possible to cut both costs and emissions. By thinking ahead and anticipating necessary speeds, the need to brake harshly will be reduced. The optimum point for changing gears is at around 2,500 rpm in a petrol car and 2,000 in a diesel. And if your car has an MPG gauge then leave it on permanently and see how your driving style changes when you watch it!

### *Switch off*

If you are likely to be stationary for more than 3 minutes then switch the engine off to save on fuel.

### *Lighten your load and streamline*

The more weight you carry, the harder the engine has to work and the more fuel it uses. Remove unnecessary items from your boot or back seats that are not required for your next journey. Remove roof racks/ carriers when not in use, a more streamlined car uses less fuel.

### *Use air conditioning sparingly*

Your car's air conditioning system runs off the engine and the extra energy it requires uses up more fuel, so only use it when you really need to. Beware of opening a window right down instead though – the increased wind resistance means your engine could use up even more fuel! Fresh air vents are usually just as effective.