



# Year in review 2007

## Linfox Logistics' CEO Michael Byrne reviews the highlights of 2007.



2007 has been a watershed for Linfox Logistics. I am privileged to lead a tremendous team of 13,000 people who, 51 years after Lindsay Fox began our business, continue our journey as a leading supply chain solutions company.

Early in the year we established Making it Happen as a strategic framework to grow our business to 2010 and beyond. Under this framework we set company goals, including:

- To be the number one supply chain solutions provider in safety, profitability, education and training, operational execution and customer service in the Asia Pacific region
- To be a values led and based organisation
- To establish operations in new countries in our region
- For Linfox College to be an industry centre of educational excellence.



Provincial Freightlines joined Linfox.

We've made great progress towards achieving these goals in 2007. A selection of highlights include:

### Safety

Our Lost Time Injury Frequency Rate fell by 39 per cent in the 2007 Financial Year, well ahead of target. But, we can't be complacent; we must continue to put safety first if we are to achieve our Vision Zero

- The current Peak Season Safety program reminds us to be especially safety conscious in the build up to December – February's peak trading season
- We Stopped for Safety again to recommit to safety
- We combined our safety, compliance and operational

training responsibilities into one department to drive a consistent focus

- Linfox won major safety awards in Australia and New Zealand
- Our Vision Zero concept was proposed as an industry standard at an Australian National Transport and Logistics Safety Summit; a strong endorsement of our strategy.

### Business growth

The Linfox business grew with strategic acquisitions and new business wins.

- The acquisition of Provincial Freightlines doubled our New Zealand business, brought more than 260 new members to the Linfox team and strengthened our

Industrial Business Unit in particular

- Acquiring Westgate Logistics brought new blue chip customers, particularly in the retail sector, and great skills in warehouse implementation. Linfox gained 1,200 new team members and 11 distribution centres across Australia
- India's Tata Steel, the world's fifth largest steel producer, appointed Linfox to distribute 3,000 tonnes of steel per month with the potential to massively boost this volume
- Linfox began distributing for Australian Pharmaceutical Industries, which includes 300 Priceline stores and distribution to 2,700 independent pharmacies



Westgate Logistics joined Linfox.

- We began distributing steel for BlueScope Steel in Thailand and won new Linehaul work for BlueScope in Australia
- The FMCG giant Procter and Gamble appointed Linfox to plan and construct their new mega-DC for Australian distribution at Eastern Creek in Sydney
- Foster's chose Linfox to continue beverage distribution and help them establish massive new multi-beverage DCs in Sydney, Melbourne and Canberra
- We worked with Unilever to commission a significant new state-of-the-art DC in Ho Chi Minh City, Vietnam
- Retailer MYER appointed Linfox to supply stores from

their Regional Distribution Centre network. Our home deliveries also expanded from MYER's new Freight Transfer Centres

- In Malaysia we extended our warehousing and distribution contract for GlaxoSmithKline for a further two years.

This year's Customer Relationship Conference provided valuable feedback on ways to continue delivering value for our customers and grow as a supply chain solutions leader.

## People and our organisation

In February we restructured our organisation to sharpen our customer engagement. We continue to focus on the wellbeing of our people and developing their capabilities.

- The Executive Leadership Team is well established with the appointments of our new HR President, David Arkell, our new Chief Information Officer, Peter Hourihan and our new President Retail, James Dixon
- Linfox College is becoming a centre of learning excellence. More than 900 people now use Linfox College Online, a range of specialised training is enhancing our leadership and industry skills and our graduate and cadet programs contribute to our future growth
- We recently concluded our employee opinion survey, Your Say, Your Linfox and I look forward to your opinions helping to build a stronger Linfox Logistics.

## Awards

I am proud that your hard work was recognised by independent awards. I mentioned our safety awards in New Zealand and Australia above, but our operational execution also won awards in 2007.

- ExxonMobil recognised Linfox's Hong Kong team as their Haulier of the Year in South East Asia
- Linfox's design and implementation of Kellogg's new state-of-the-art national DC in Sydney won the inaugural SMART Award for Excellence in Supply Chain Management
- Linfox's Malaysian team won the Voice of the Customer Award for the Best FMCG Logistics Service Provider in Malaysia
- In New Zealand, Dulux awarded Linfox with their Supplier of the Year Award.

2007 established a pattern of achievement and growth. It is a tremendous credit to everyone in the Linfox team that we have come so far in such a short time. The Fox family and the leadership team are very proud of the contributions made by everyone at Linfox.