

PALLETWAYS UK



PRESS PACK

Introduction to Palletways UK

Palletways UK was founded in 1994 and is currently the leading and largest pallet freight network in Europe.

The Palletways UK network has some 112 depots operated by highly professional independent local transport companies (known as Palletways Members).

The Members combine each other's resources to distribute one to six pallet consignments faster and more cost effectively than ever before across the UK via three hub operations in Lichfield, Edinburgh and London. The UK network handles, on average, 13,000 pallets of goods every day.

Customers' goods are collected locally by the Palletways Members and distributed to a hub operation. At the hub, the freight is processed and sorted into designated delivery areas according to their final destination. The goods for delivery are then assigned to Members who cover the locations of the end customers.

Palletways Group Overview

In addition to the UK, Palletways distribution networks in Europe cover Ireland, Belgium, Denmark, France, Germany, Italy, Luxembourg, Netherlands, Spain and Portugal.

The Palletways network is made up of 270 plus depots, with hub operations in Nijmegen, Paris (the Palletways Central European network which covers the Benelux countries, Denmark, Germany, Northern France and Switzerland); Bologna and Naples (the network in Italy); and Acala de Henares near Madrid, Spain (the network in Spain and Portugal).

In total Palletways handles up to 21,000 pallets daily across its operations in the UK and mainland Europe.

Customers include manufacturers, distributors, retailers, wholesalers and other distribution companies - ranging from thousands of small businesses to household name blue chips and the large third party logistics providers.

Information Technology

Driving the Palletways network is a next generation IT infrastructure designed specifically for palletised freight movements.

The latest technology ensures transparency to the customer, reduces administration time, minimises handling and provides the highest levels of visibility. Key features include:

- Sirius remote is the Palletways bespoke IT platform providing one universal support system across all Palletways members throughout Europe
- Bar-code technology enabling the highest levels of service including:
 - Automatic routing, giving the highest levels of On Time Early and In Full (OTEIF)
 - Route balancing for efficiency
 - Web based 'Track and Trace'
 - KPI management performance analysis
- Track and Trace - by accessing the Palletways website and entering a unique login, customers can access information on the status of any consignment - from collection through to the final delivery
- Cyberstation – this is the easy to install Palletways online shipping station that allows customers to pre-label their goods prior to collection. This saves money and time for the customer by reducing administration and enabling later cut off times. It also ensures consistency of delivery information

Palletways Services

Palletways offers an unrivalled range of cost-efficient, reliable, flexible and high quality palletised freight services, including:

- **Nationwide express delivery services**

Through Palletways' 112 plus depots in the UK and three distribution hubs, the company provides premium, economy, next day and timed delivery services for one-to-six pallet consignments across the country.

- **Daily cross Channel distribution between the UK and mainland Europe**

Palletways is the only pallet network to provide a dedicated door-to-door distribution service to and from mainland Europe. For customers in the UK, this means they can put their UK and European bound goods on the same vehicle, presenting significant cost benefits. They also benefit from the same IT systems and Track and Trace for UK and European deliveries.

The European service operates across the UK, Ireland, France, Germany, Italy, Netherlands, Belgium, Luxembourg, Denmark, Spain and Portugal from eight hub operations based in Lichfield, London, Edinburgh, Nijmegen, Paris, Bologna, Naples and Acala de Henares near Madrid.

On Line Scheduler – this is an industry first and provides customers using Palletways' European delivery services with lead-time information before their consignment is dispatched.

- **Stargate Logistics**

This is a unique palletised consignment stockholding solution that dovetails with the Palletways overnight national distribution network. It offers customers an easy and flexible value added storage service for year-round and seasonal products.

- **Collect-Direct**

Collect-Direct has been developed to allow customers to collect their goods directly from their local Palletways depot instead of having their goods delivered to their home or business premises. It provides a consolidation point for multiple in-bound deliveries and an accessible and secure collection facility for field-based professionals who do not want deliveries to their home, as well as for those employees who are working on sites away from their business premises.

- **Depot Drop-Off**

Depot Drop-off means that customers can drop consignments into their local depot for onward delivery via the network to their customer.

- **Local Service for Scotland**

Palletways offers a dedicated network serving Scotland, which is centred on a hub in Livingston, Edinburgh. This network means that Scottish manufacturers, wholesalers and retailers can carry out next day deliveries throughout Scotland and the outlying islands. The network also allows Scottish companies to distribute small consignments cost effectively to anywhere in the UK, Ireland and Europe.

- **Daily Ireland services**

Through the hub facilities at Lichfield and Edinburgh, Palletways can provide a range of express services including next day, between UK and Ireland.

Key people

James Wilson, Chief Executive, Palletways Group

James Wilson has a wealth of experience in the logistics industry having worked for the TNT Group for over twenty years between 1980 and 2001, including roles as Managing Director of TNT Express Worldwide, UK and Ireland; Senior Vice President Europe, when he helped turn around TNT's European businesses from loss making into a highly profitable operation; and CEO of TNT Australia.

Prior to joining Palletways, James ran his own consultancy business W Associates, working with venture capital groups in Europe and Australia. He started his career at the National Freight Company (NFC) as a graduate trainee in 1974.

At Palletways, James is responsible for the Group's strategy across the UK and Europe and accelerating growth through increasing domestic market share and developing the first pan-European pallet network.

He joined Palletways in 2004 when he invested in the business alongside the entry of a new shareholder, Phoenix Equity Partners, one of the UK's leading private equity firms.

Craig Hibbert, Managing Director of Palletways UK Member Network

Prior to joining Palletways in 1995 as Head of Sales, Craig spent nine years in the materials handling sector with Clarke, Hyster and Yale and has considerable experience of materials handling and distribution.

In 2000 he became Group Development Director, responsible for the commercial aspects of Palletways and managing the member relations.

In 2007 Craig became Managing Director of the UK Member Network and is responsible for the ongoing management and development of the Palletways network in the UK.

History of the Palletways Group

1994:

- Palletways is founded in the UK and is launched with 32 founding member companies. During the first week 660 pallets were handled and at the end of the first year Palletways had distributed some 46,000 pallets

1997:

- Palletways moves its one millionth pallet since commencement of operations

2000:

- The average daily volume of pallets handled exceeds 5,000 for the first time

2002:

- Palletways Italia and Palletways Scotland are launched
- Stargate Logistics, Palletways unique consignment stockholding facility, is unveiled at Lichfield, UK, alongside the Palletways UK hub operation
- Leading venture capitalist 3i invests in the company as part of a MBO of the business
- Palletways launches its Benelux network to serve Belgium, Luxembourg and the Netherlands

2003:

- Palletways rolls out high-speed internet connections at all its depots in the UK to provide the most sophisticated pallet network track and trace system
- An independent survey of the pallet network sector by Triangle Management Services reveals that the Palletways brand was the best known in its marketplace
- Palletways made it into Europe's 500 fastest growing companies in terms of job creation, an annual listing endorsed by 3i, Boston Consulting Group, Microsoft and PricewaterhouseCoopers

2004

- Current CEO James Wilson joins the company and invests in the business alongside the entry of a new shareholder, Phoenix Equity Partners, one of the UK's leading private equity firms and members of the Palletways management team. Previous investor 3i exits the business
- Palletways Ireland was launched to provide express deliveries within Ireland and to the UK
- Palletways London is launched to enhance small consignment deliveries in the South East of England and within the city of London
- Palletways announce the appointment of Alun Cathcart as Chairman
- Palletways Italia moves its main hub operation from Verona to Bologna

2005

- Palletways announces the successful outcome of trials for its in-cab technology, which will enable Proof of Delivery (PODs) to be sent electronically to customers in real time
- Palletways Central European Network is launched and covers the Benelux countries, Denmark, Germany and Northern France
- The Group announces that it is to create a network to cover Spain and Portugal. Recruitment of members for the network commences
- Palletways Italia creates a second hub facility in Naples to enhance delivery services in the south of the country

2006:

- Palletways breaks records in the UK and Italy when it handles 15,000 and 3,000 pallets on a single night respectively
- Palletways Central European network expands to cover Switzerland
- The Palletways Iberia network goes live

2007:

- Palletways Group acquires Palletways Italia s.r.l., which had been operating as a privately owned company operating under licence. This is part of the Palletways strategy to create the first pan-European pallet freight network
- Palletways UK operation breaks all records regularly handling in excess of 17,000 pallets overnight
- Palletways holds its first European congress. Over 250 member delegates met in Madrid to discuss developments across Europe, including linking up the four networks in UK, Northern Europe, Iberia and Italy

2008:

- Palletways launches two new groundbreaking services, Depot Drop-Off and Collect-Direct, both of which offer flexible time options for the customer, negating the need for them to take time out during the working day to wait for collections or deliveries.
- Palletways introduces a new European service – the 'On Line Scheduler'. This is an industry first and provides the customer with lead time information before their consignment is despatched
- Palletways extends the boundaries of its pan-European delivery services to include Spain, Portugal and Italy
- Palletways introduces a new health and safety tool to promote safe working practices and minimise the occurrence and potential severity of accidents and incidents in the work place throughout the Member network
- A new hub facility in Livingston, Scotland, is opened
- Palletways takes a minority interest in X2, a 4PL specialising in flexible distribution and warehousing solutions
- Edinburgh is host to the third Palletways European Congress 2008

2009

- Palletways opens a new hub in Paris, replacing hubs in Troyes and Gent