

POTTER

Preview

AUTUMN 2009



STEADY AND READY FOR THE UPTURN

Matthew Lamb, The Potter Group's managing director, takes a considered view of the current economic upheaval and offers a balanced and cautiously optimistic perspective for the future.

"Like most other businesses at the heart of the real economy The Potter Group has had to adjust its business model to reflect the downturn. However with the experience of more than 40 years in business and at least three previous recessions we know that it's vital to maintain The Group's values and standards - and to be equipped and ready to respond as demand starts to grow again - as it surely eventually will.

In the past few months we have made two new senior appointments (see page 3) which will strengthen our management team still further, and we will continue to encourage and support staff training and education.

Our North West facility in Knowsley, Merseyside, which celebrates its 10th anniversary next year, has been the subject of a significant investment programme to help handle new business. And in the same part of the country, the company is exhibiting at the PPI Transport Symposium that takes place in Liverpool's Arena and Conference Centre this autumn. You can read more about the show below.

By maintaining a strong marketing presence we have continued to win new clients who recognise the long-term stability, resilience, standards of service and responsiveness that the company has always strived to display.

Global speciality chemicals firm Clariant recently appointed the Group's Droitwich Centre to take over the storage, handling and distribution of its range of chemicals, biocides and personal care intermediates. Droitwich is storing and handling products from Clariant's factories in Pontypridd, Switzerland and Germany for onward shipment to clients in both the UK and overseas.

While we cannot expect a rapid recovery, those businesses that focus on their strengths - on customer service, on cost-effectiveness and on prudent investments - will not only assist the recovery of the country as a whole but will be best placed to take advantage of improved economic conditions. We are determined that The Potter Group will, in the vanguard of those companies be ready to embrace the upturn when it arrives."

Matthew Lamb
Managing Director

POTTER GROUP TO EXHIBIT AT PAPER AND FORESTRY SHOW

The company will be presenting its range of services to the paper and board industry at the PPI Transport Symposium in Liverpool's Arena and Convention Centre from 7th to the 9th October. Organised by RISI and IFPTA the conference and exhibition will focus on the latest trends, innovations and issues surrounding forestry products logistics.

The Potter Group has a long tradition of providing rail freight, road transport and storage facilities for paper and timber products. Since 1965 The Group has stored and transported newsprint, timber, palletised paper, chipboard and other related products for a number of importers and distributors.

Distribution centres on Merseyside, in Yorkshire and Cambridgeshire all provide direct rail services to leading ports and are all fully equipped to handle paper and timber products, with under-cover loading and offloading facilities. Current clients include M-real, a leading European supplier of paperboard, coated and uncoated paper, and International Decorative Surfaces, the UK's largest dedicated distributor of decorative surface materials specialising in flooring, worktops and panel products.

For more information visit the conference website on www.transportsymposium.com.

POTTER GROUP COMMITS TO EMPLOYEE HEALTH AND SAFETY

The company has joined more than 400 leading organisations in both the public and private sectors in signing up to the HSE's Health and Safety Pledge. Alongside names such as ASDA, BT Group, Biffa, Total, Bayer, PD Ports, ROSPA and St John Ambulance, The Potter Group has pledged to place employee welfare at the heart of the business and to reduce the rate of work-related deaths, injuries and ill-health.

The accident and injury rate in the company's five centres is already at a very low level, but the HSE initiative is intended to further reduce health and safety incidents to as close to zero as practically possible.

For further details visit the HSE website - www.hse.gov.uk/strategy/pledge.htm



IN HIS CURRENT ROLE AS NATIONAL CHAIRMAN OF UKWA (UNITED KINGDOM WAREHOUSE ASSOCIATION), DERRICK POTTER WAS INVITED TO COMMENT ON HOW THE CURRENT ECONOMIC DOWNTURN WAS AFFECTING THE INDUSTRY

"The outlook for the third party logistics (3PL) sector is, like so many areas of business and industry, uncertain. We have already seen the economy decline far faster than many of us can comprehend, and there seems little doubt that in the months ahead conditions in our marketplace will continue to be tougher than many operators have experienced for a long time and, in many cases, ever before.

It is vital that everyone maintains a positive approach to the current difficulties, and remains poised to react when

opportunities present themselves. Even in times of recession, there will be scope for companies to grow and third party operators that have a diverse client base and good cash flow should be well placed to pick up new business.

In my view it seems likely that, as margins come under greater pressure, the services offered by the 3PL sector will be even more attractive to own account operators, who will increasingly come to see that transport and warehousing – if not fully optimised – represent a very high fixed cost. By offering flexibility and the chance to reduce assets, logistics services providers can bring real bottom-line savings to a business and many companies who have historically been reluctant to outsource may well be tempted to do so.

Today's logistics industry is a vibrant and resilient sector, despite what often seems a lack of support from Government, faced with high fuel charges and fierce competition from mainland Europe. Modern third party logistics (3PL) contracts comprise a range of services – including distribution, storage, packaging etc – rolled into one, providing excellent value and specialist service to the UK economy.

The industry continues to work to become ever more lean and efficient, despite the pressures from mainland European competitors who enjoy the benefits of lower fuel taxation and sometimes a less stringent application of the EU's Working Time Directive. It is to everyone's benefit to support the UK's 3PL sector which has done so much to help the economy thrive during the past decade, and as the voice of the industry, UKWA hopes that the Government will recognise the role we continue to play as the economy starts to recover."

GROUP CHAIRMAN TO ADDRESS RETAIL AND LOGISTICS CONFERENCE

Group chairman Derrick Potter has been invited to take a leading role at a conference for senior Retail and Logistics executives taking place on 12th November. He will be joined on the podium by senior management speakers from leading logistics companies, grocery chains, the British Retail Consortium and other industry bodies, and will join a panel discussion group chaired by BBC's Newsnight presenter Gavin Estler.

The conference is being run by international recruitment and HR consultancy the GlobalSCS Group, with part of the net profits going to Transaid, the international development organisation set up by the European transport Industry. The Potter Group is a regular supporter of Transaid as well as a number of other local and national charities.

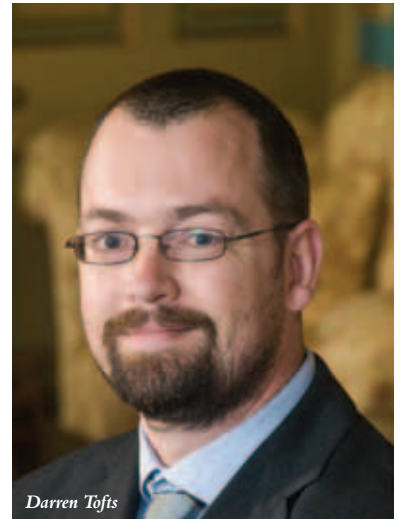
NEW POTTER GROUP APPOINTMENTS

New Manager for Ely Distribution Centre

Darren Tofts has taken up the position of general manager of the company's rail-connected Ely distribution centre. An experienced business manager, Darren has been with the Group almost 15 years and replaces the retiring general manager who had occupied the role for nine years.

Ely has 220,000 ft² of warehousing and rail links to major freight centres including Felixstowe, Southampton and the Channel Tunnel and is ideally placed to support the economy of East Anglia.

An established part of the Cambridgeshire business scene since the Group acquired the 120 acre site from British Sugar back in 1981, the centre has extensive experience in handling a diverse range of goods including timber and building products, paper, agricultural feed, aggregates, textiles, food and drink.



Darren Tofts

New Transport North Manager

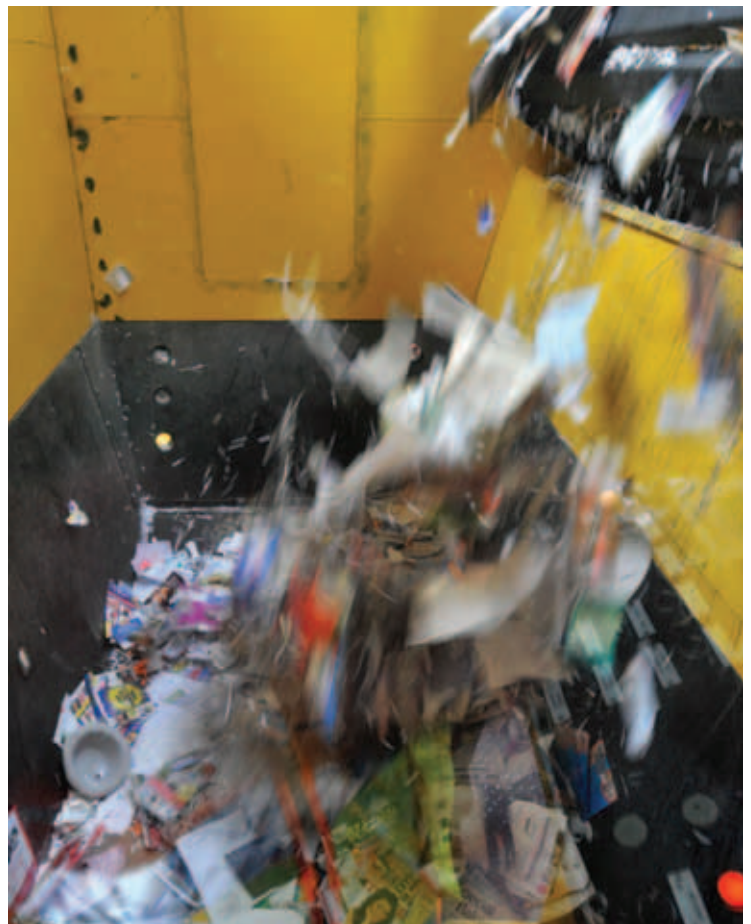
The company has appointed Matthew Barker as the new Selby-based Transport Manager for the North. A Computer Systems and Engineering graduate, Matthew has been involved with the Group and several of its clients in various roles since 2005. In his new role he is responsible for transport at the Group's Selby, Ripon and Knowsley, Merseyside, distribution centres.

HELPING THE NORTH-EAST'S ENVIRONMENTAL STRATEGY

The Group's move into waste management has increased Yorkshire and Humber's paper recycling capacity by 32,000 tonnes per annum after Resource Efficiency Yorkshire provided £54,000 to help the Group to purchase new baling equipment for its Selby centre.

The new state-of-the-art baler processes paper and card into 650kg bales that are then loaded into containers and onto freight trains for export. The group currently bales all the waste paper collected by Selby District Council.

Nick Brightey the centre's general manager, said: "The new baler has allowed us to triple our baling capacity. Our productivity has improved as we are able to produce larger bales that allow the full capacity of the 26 tonne containers to be utilised. The new equipment also means we can now take in a variety of waste streams including plastic bottles and aluminium cans. This investment means we are offering a wider range of services to existing and prospective clients."



GROUP LENDS SUPPORT TO SKILLS FOR LOGISTICS INITIATIVE

Operations director Jim Thompson has joined the board of the recently formed Logistics Academy for Yorkshire and Humber (LAYH). The academy is part of a national initiative by Skills for Logistics that brings together employers, universities and colleges, private training providers and other stakeholders in the logistics sector.

The LAYH was created following a successful bid by a partnership consortium of businesses, educational

establishments and others led by Hull College's Ports and Logistics Centre.

Jim commented: "We are delighted to extend our support to LAYH and look forward to working with the academy to access quality training that will meet the needs of the Group. We are committed to raising our skill levels through nationally accredited training and believe our association with LAYH is a step in the right direction."

POTTER GROUP SHORTLISTED FOR UKWA WAREHOUSE INDUSTRY ENVIRONMENT AWARD

The company was shortlisted for UKWA's (United Kingdom Warehouse Association) Environment Award for 2009. The award was announced at UKWA's annual luncheon held in the Dorchester hotel in London on June 30th, when Chaucer Logistics received the accolade.

The judges considered the Potter Group's new rail freight service conceived, developed, tested and implemented by the company for Muntons Malt as an outstanding example of environmentally responsible innovation in bulk goods transport. The operation was saving an estimated 200,000 lorry miles each year, cutting carbon dioxide emissions by 80% and other pollutants by up to 90%, while managing to deliver improved client service.



Photographed clockwise from front left: John Smith, GB Railfreight Ltd; Stuart Taylor, PG; Pete Robson, Muntons plc; Neil Pearmain, Muntons plc; Matthew Lamb, PG; Guy Newsam, Muntons plc; Ginny Mackay, PG; Tony Mannix, Clipper Logistics Group; Chris Tjyas, Nestlé UK Ltd



THE
POTTER GROUP

Tel: 01353 646703

enquiries@pottergroup.co.uk

www.pottergroup.co.uk