

From Max's desk

Christmas 2005 is with us, and it seems like no time since we were talking about 2004!

Time sure does fly, and Border Express is endeavouring to maintain the pace that is essential to survive and prosper, and to meet our obligations to our essential stakeholders into the future. Border Express must continue to perform well if we are to continue to provide outstanding service to our customers, security and good conditions to our staff, and a satisfactory return to shareholders.

Since our last newsletter there has been a good deal of activity, with the interstate division shining brightly. In the last two years we have spent a good deal of capital bringing our facilities and resources up to the mark. Depots have been upgraded, good people have been employed and there has been a strategic concentration on our IT department, which has excelled in developing our systems to a level where we compete with the best. All this has allowed us to cope with the pre-Christmas demands better than most of our competitors. It is worth commenting that our estimated sales in November 2005 for our interstate division will be up nearly 50% on the sales of May 2005 - a period of six months! We have only been capable of meeting such demands because of the improved infrastructure, and importantly, the response from everyone in the group - and we thank all of you for this effort!

Since our last newsletter the company has made (or is in the process of making) further moves to ensure that we hold and consolidate our position in the industry. While it is only a couple of years since it was completed, the head office in Albury

has been deemed too small and plans are being prepared to increase its size. Planning is also under way to increase the facility at Laverton to cope with a greater proportion of the interstate traffic and take some pressure off Clayton. Albury is about to commence construction at the Logic Park facility, which will give that division the opportunity to compete against the expected 'invasion' of outside carriers as the Park develops.

Whilst all of this is going on we are trying very hard to maintain pace with the requirements of compliance. This is often difficult because of the very direct impact on productivity and the loading and unloading staff, but we are again appealing to all the team to continue to embrace it, and to also actively think about and work towards maximum productivity within the requirements. At the end of the day, strategies like gate suspension, fork lift speed controls, and electric pallet trolleys are there for the safety and welfare of our front-line troops, so we do need your help and support in this area.

But let's not forget that it is Christmas time, and the Luff family takes this opportunity to thank each and every one of you for your contribution in helping to develop a transport company that is highly regarded in a tough industry. The family in turn endeavours to maintain a happy, safe and rewarding working environment into the future.

A Merry Christmas to all, and may we all have a happy 2006!

Regards,



Max Luff



From the Editor's Desk

Merry Christmas to all... What a year it has been; a year with plenty of highlights and unfortunately, a couple of low points.

If you compare our pre Christmas volumes last year to this year, there has been a significant increase. But it appears that all those resources that were put in place over the year are standing up to the increases.

The year that was:

• **Training and Development.**

Many staff are now completing their Certificate IIIs and 40 odd staff are under way in Cert IV Business Management.

- **Big improvements in DGs compliance**
- **New staff across all depots**
- **Significant new clients**
- **Logic Park development**
- **Industrial relations changes**
- **Business awards**
- **Depot expansions**
- **The list goes on!**

A low point unfortunately was the passing of Nigel Whitehead, and we also remember Ian "Sludge" Sutherland who died last year.

2006 will be a challenging year (where have I heard that before...). As the industry becomes more and more regulated and comes under the scrutiny of the relevant authorities, there will be more of a focus on Chain of Responsibility, driver fatigue, compliance and safe work practices. We are proud of the fact that as a business, we do not shirk these responsibilities and in fact are leading the way in many instances. The challenge is ongoing and change is all around us - what a dynamic industry to be in!

May your Christmas be safe and full of fun and we'll see you all in 2006 to do it all again!

My apologies to Kevin and Keith in Sydney - bugged up the photo in the last newsletter and to Canberra for leaving them out all together.

Cheers,
Grant Luff
Editor

WHAT YOU WEAR REFLECTS THE COMPANY IMAGE

Presentation of our staff out in the field and in the depots contributes enormously to the way we are perceived by our customers, competitors and the community.

Our overall presentation standards are critical in displaying who we are, and what we stand for!

After an exhaustive selection process throughout 2005, we have selected a national uniform supplier and established a specific uniform standard and guidelines for all staff across the group.

This was a conscious effort by the company to:

- provide staff with a standardised uniform of better-quality; and
- to represent our company as a high quality and professional business providing a premium service to our customers.

It is therefore imperative that whilst representing Border Express, staff present themselves at all times in the company approved uniform. Your efforts in this area are appreciated.

Geoff Luff

2005 BUSINESS EXCELLENCE AWARDS

An outstanding achievement by Border Express in winning the premier award in the 2005 Business Excellence Awards held in Albury at a Gala Awards Presentation evening.



Stephen Hogg and Mark Byatt accept the awards on behalf of the company.

Border Express celebrated outstanding success and was named the 2005 EMPLOYER OF CHOICE. We were also awarded the EXCELLENCE IN BUSINESS SERVICES award, and were honoured as the 2005 OVERALL EXCELLENCE IN BUSINESS AWARD, the most prestigious award for the evening, which recognised distinguished business excellence.

Geoff Luff accepted the award for the company and expressed his gratitude to the company's customer base for their ongoing support over the years. He also paid tribute to the commitment and dedication of the company's staff and contractors.

On the back of business growth of around 30% to 40% per annum over the past couple of years, the business now directly employs around 600 people nationally, plus approximately 100 permanent tow operators and sub-contractors, and operates in every capital city across Australia. It's a far cry from the early days of seven trailers and half a dozen staff.

It's a cultural shift!

To develop the organisation to such an extent requires a strong focus and a solid organisational base and strategy, and for Border Express that has meant focussing on key elements of the business including:

- A total employee development strategy
- A committed focus on safety and compliance
- Focus on providing a premier service to customers, and
- Establishing an employer of choice philosophy across the business.

This strategy has required a concentrated effort by everyone in the business, and to be honoured with these prestigious awards indicates that the company is on the right track.

Mark Byatt

Farewell Nige

On a sad note, Brisbane has lost one of its most respected and well-liked colleagues, with the tragic passing of Nigel Whitehead. Nige was an integral member of the AM unload team, having recently transferred from the Country /Warehousing shed. He will be sadly missed by all of Border Express. Our deepest sympathies are extended to his family.



Rest in Peace Nige

There's wind in our Sales. (and it's not all hot air!)

Over the past few years, Border Express has been developing a very experienced and strong Sales Team, who has sourced and closed many new and exciting opportunities. In fact, Border Express has been experiencing over 30% compounding growth over the past three years, thanks in part to the sales team's efforts and their in-depth knowledge of the industry and of our specific processes. Our customers value the fact that our sales team understands the daily pressures of their requirements, and that we value creating strong relationships and communication with these customers.

On the road we have:
Barry Conlon – Adelaide
Noel Shepherd – Albury & Canberra
Stella Earp - Brisbane
Colin Lyons, Joanne Quinn and Chris Thomson – Melbourne
Steve McMahon, Richard Lucas, Geoff Stanford and Les Element – Sydney

We also have strong sales support with Libby Edwards in Melbourne, Melanie Dailey in Sydney and Jolene Anderson in Brisbane. Sales in all other depots are under the direction of the Managers. Peter Anderson now heads up the team as the Group Sales Manager and will provide greater support and direction.

With such a great team, we have been able to take on transport and distribution opportunities that fit into the way we do business, and we are constantly under pressure to present our business to new customers.

What's more there are some exciting opportunities on the horizon and we have had a fantastic year for bringing on new customers.

Watch our Sales fly in 2006!

Peter Anderson

PROJECT HORIZON

– TOWARDS THE FUTURE

A group of managers from across the Border Express group have been researching the next step forward in the management of the Border Express Fleet and Freight.

This is being driven by factors such as:

- Driver Fatigue Management Legislation
- Customer Demands for Visibility of Freight and PODs in real time
- Improving the utilisation of the PUD fleet to meet increasing demand
- General Market Expectation for Electronic PODs
- Standardising our Systems across the business

Border Express and the industry are changing at a rapid pace and it is critical that we are constantly evaluating the best way forward for our business. If we elect to go down this path then we would consider a field trial early next year to fully evaluate the benefits of such a system.

Andrew Wickham is managing the proposal stage in conjunction with IT, and Canberra has been selected as the trial depot if we get to this stage, with Peter Kane running the test in a linehaul vehicle.

Just another example of the business moving forward!

Andrew Wickham

The Training, Safety & Compliance Team OHS

OHS and Compliance have become a fundamental part of today's modern transport industry. Border Express is working hard to ensure that all employees are provided with information, instruction, training, modern equipment and facilities to ensure their safety while at work. This includes consultation through OHS committees and designated work groups.

Additionally, the responsibility of all employees while at work is paramount to ensure a safe work environment.

While at work, all employees are required to take reasonable care "so far as reasonably practicable" for their actions or omissions. They must also cooperate with any actions taken by their employer to comply with current OHS Acts and Regulations. An employee must not intentionally or recklessly interfere with or misuse anything provided at the workplace in the interest of health, safety and welfare.

Working together will ensure a safe environment for all.

Be Sun Smart

Summer is fast approaching....

The facts....

- Australia has the highest rate of skin cancer in the world.
- The main cause of skin cancer is ultraviolet radiation (UVR) from the sun.
- All Border Express employees who work outdoors are particularly at risk.
- By reducing the exposure to UVR almost all skin cancers are preventable.

Wear Protective Clothing... Wear loose fitting clothing that covers as much skin as possible (not a singlet). Collars should be worn turned up and shorts should be at least knee length.

Hats... Hats should shade the face, neck and ears. Broad-Brimmed hats and caps with neck flaps offer good protection and should be worn at all times when exposed to the sun.

Sunscreen... Sunscreen should be applied generously to all areas of exposed skin at least 20 minutes before going outside and should be reapplied every 2 hours, or more often if it is wiped or sweated off. Remember, no sunscreen provides 100% block out, so it should always be worn in conjunction with other protection.

Forklift Safety – Speed and Braking Distance

The stopping distance of a loaded forklift is seriously underestimated as we all go about our daily business. At a speed of 12 km/h, a forklift will travel 3.3 metres in one second and needs at least 8 metres to stop safely. And even at 6 km/h (walking pace) a forklift needs at least 3 metres to stop.

To reduce the risk posed by forklifts, and to provide a safe work environment for all employees, the following must be adhered to in all terminals:

- Ensure all posted speed limits are adhered to whilst operating the forklift.
- Ensure all forklift warning devices are functioning at all times.
- Ensure all pedestrians utilise the clearly marked pedestrian walkways, and all pedestrians remain clear from forklift operating areas.
- Ensure all personnel wear high visibility clothing (reflective vest).

Remember – Everyone is responsible for Safety and Compliance

Craig Olsson

It's been a long road...

Border Express's two longest serving tow operators are Roy McMillan and Wayne Klose who have both been with us for over 20 years. Wayne started on the Albury to Wagga leg before running on the Albury to Melbourne leg, while Roy is now retired as a driver but has 2 trucks on board operating the Albury to Brisbane run. Many thanks to both for their years of service to Border Express.



Roy McMillan



Wayne Klose



Border Express (Interstate) Linehaul

The Border Express (Interstate) linehaul fleet consists of:

- 57 B Double trailer combinations
- 16 single trailers
- Total 73 rigs on the road each night
- Plus a commitment to 12 rail container units as required

There is also a large daily commitment to itinerant sub contractors to cope with the various Depot demands at any given time.

Of the 73 linehaul units, 59 (80%) are on fixed runs with many doing changeovers. This allows the company to provide the drivers with a Quality of Life that gives them the opportunity to spend valuable time with their families and the ability to plan ahead in an industry that is renowned for its unpredictability.

Border Express Linehaul has come a long way from its raw beginnings when we acquired Merritt and Marsden transport.

In particular the long haul Marsden job was one that required the driver to leave home with no real return-to-home date - just whenever the load was available in that direction!

Many of the original Marsden and Merritt drivers and sub contractors are still employed by Border Express and enjoy the BEX way of life.

Some of those old-timers are Peter Cole (Coley), Colin Pentland (Jaws), John Mortimer (Mort or Fossil) Garry Quigley (Quiggles), Graeme Hartney, Bob Churchill (Senior), Bob Churchill (Junior), Steve & Kevin Richards (Brothers) Harold and Craig Gibbs (Father and son) Tony Mc Harg, and Trevor Maddock. (Sorry to anyone we've missed!)

These drivers are a part of Border Express's fabric and we thank them for their great work! To all our drivers we say DRIVE CAREFULLY, as your families and the business need you home safely, on time.

LEARNING & EMPLOYEE DEVELOPMENT

The Border Express national training program is now well entrenched in all terminals. With the recent inclusion of the Border Express business management training program, all managers, supervisors, administration, drivers and yard staff now have the opportunity to undertake training in a nationally accredited qualification.

August 2005 saw the commencement of the Border Express business management training program. Nationally, 46 managers and supervisors commenced a 12-month program in Certificate IV in Business (Frontline Management), a national qualification widely accepted by all Australian Industries.

Through a flexible workplace delivery model, and customised training and assessment, this program is designed to enhance the development of the company's current and future leaders.

February 2006 will be an important time for Border Express, as over 150 staff officially complete their studies and receive a national qualification. This includes Business Management (Grant's Hardware team), administration, drivers and yard staff.

Craig Olsson

CATCH A CROOK

If you see something suspicious going on, don't hesitate! Pick up the phone and call the Border Express crime hotline on

1300 149 429

It's completely anonymous and it's helping to secure the future of our employees and the business.

Bits & Bytes

If you've noticed a lot more talk of bits and bytes lately, that's because the IT department has expanded to six! Matt Hamilton joined the crew late November 2004 as the new system administrator or "sysadmin". Matt has been keeping the hamster fed and peddling hard during his time with us. Our development team has also grown with Michael van der Veeke establishing his role as our Database Administrator. Meanwhile, Nathan Younger has started to take over the programming of Transport Suite. These guys have joined the existing team of Chris Firman, helpdesk and time clock guru, Michael Bury, system analyst for Transport Suite, and myself, Jeff Quinn as IT Manager.

Border Express currently has 27 servers in production, although several of these have reached end of life and are due to be retired. Over 200 terminals, plus laptops and workstations, 40 printers (including multi function devices) also form part of the Border Express network, which reaches from our friends in Perth to the Gold Coast.

We are currently processing around 50,000 emails a month in and out of Border Express, not including the amount of virus and spam messages that are being caught. November alone had over 3000 infected email messages entering the mail scanner with approximately 2000 of these within a 3-day period.

At present we are processing approximately 68,000 connotes per month - and an average of 28.23% is imported via customer exports. So you can see, IT plays a large role in the growth of the business.

Jeff Quinn



IT Manager Jeff Quinn at play - he's the one in the red.

LAVERTON

How we have grown in the past 12 months from the sleepy hollow to a full-on terminal! What a year it's been, with a number of major new accounts, as well as the growing number of daily pick ups making for a very busy year. We have also had an increase in the linehaul movements in and out of the depot each day between the Albury and Interstate divisions. A job well done by all staff during this rapid growth period.

We have added another company owned 14-pallet tailgate tautliner to the fleet. The warehouse is bursting at the seams and the vacant land at the rear of the site is still full with new cars.

We are fast approaching the time that we will need to introduce various shifts to cater for the continuing growth that brings with it longer operating hours. We are also preparing ourselves for early in the New Year, when the extensions to the depot commence. All in all a very much changing year it has been at Laverton.

WELCOME

Local PUD drivers Zoltan Justin and John Field

Operations assistant Mark Gardner
Forkie Joe Dabley

Melbourne based linehaul driver Ian Roberts who has joined us after being employed by K & S for many years

Local subbie Zuriko Daniels

Also Phil Jones, who has worked for us on a part time basis for the past few years, is virtually full time with his semi.

CONGRATULATIONS

Congratulations to Donna O'Shea on her appointment as admin supervisor and Vance [Bob] Evans on his appointment as Operations Manager

ADELAIDE

As with every other depot, things have been very busy for the last eight weeks. The new depot we built two years ago is suddenly bursting at the seams, but don't worry Max, we will survive!

WELCOME

We have appointed a new Operations Manager, Steve Hellings, who began work on the 5th December. Steve comes to us with a wealth of experience in the transport industry.

Another new appointment in Adelaide is Agnesa Zenuni. One of her main jobs here will be Receptionist, but she will also be working closely with Barry in the Sales environment.

Wishing everybody a Merry Christmas and a prosperous New Year.

PERTH

G'day from WA, it only seems like yesterday that we were penning last year's Christmas letter.

The last 12 months has seen an enormous increase in the volumes being handled by Perth depot, both by the growth in the interstate and locally.

At the moment everyone is concentrating on getting through this peak pre Christmas period with the emphasis on maintaining service levels while handling the additional volume.

This year has seen the appointment of Glenn Collier as Fleet Controller, Carl Oliver, Peter Sims & Craig Martin as truck drivers, Catherine Smith in customer service/admin – plus an additional office and a new phone system!

CONGRATULATIONS

October saw Glenn Collier wed his partner Jane.

THANK YOU

A big thank you to Ron Crowe, Mark Luff, Geoff Luff, Rick & Sandra Webber, Jeff Quinn, Linda McErvale, Geoff Emmett & Craig Olsson, who have made their time available to come to Perth to assist, train and support the Perth team.

From all at Perth have a wonderful Christmas and a happy new year.

ALBURY**CONGRATULATIONS**

Stephen Hogg has taken off on his honeymoon with his new wife Linda, so congratulations and best wishes go to both of them.

Congratulations also to Michael & Kristy van der Veeke on the arrival of a baby boy.

NEW FACES

Hayley Elkington is the new voice on reception, while Mark Byatt has finally received some assistance in HR with the arrival of Anne McLeish.

Mick Korju has joined the yard team.

CHRISTMAS BASH

The 2005 Christmas Party has been held and a great night was had by all. There are some very ordinary dancers out there, but special mention to Paul Lawler for appearing in a tie at the start of the night. He finished the night in a blue singlet!

DEPOT NEWS

After many months of waiting we are very close to finishing the yard renovations, which will improve the operations area considerably.

Wishing all a Merry Christmas from the Albury Crew.

CLAYTON**NEW FACES AND NEW ROLES**

Anna Ioannone - Reception.

Anna has filled the position left by Helen Smith who has taken up the customer service support role with Matt Howlett.

Brett Crowe - Administration

Manager. Brett has now filled the void left by Chris Lovell who officially retired. Chris has headed north to retrace his childhood steps in the outback.

Colin Lyons - Sales

Welcome back Peter Govaars to the workforce

Janice Casa - Data Entry

Chris Grandit - Workplace Trainer

10 YEARS SERVICE

Mike Cross - Clayton Fleet

Control. Mike started with Marsdens transport as a PUD driver and has progressed to local fleet controller. Mike is regarded as a cornerstone of the local pick up operations and rules his operation with diligence and professionalism.

YARD IMPROVEMENTS

The PUD drivers are delighted to see the concrete repairs to the yard are well under way.

CANBERRA

Canberra has seen a busy year, with freight ex Canberra at levels never seen before, and staff all pitching in to do a fantastic job with keeping up with the pace – well done to all!

To sum up the year:

- Poppy's finished his Brisbane travels for the year.
- TB is still a pain in the Ass.
- We have had a renovation in our office....

WELCOME

Lisa Thompson

**TRAINING**

We're very proud of our three office staff that have completed their Certificate 3 in Transport Administration, and 12 drivers who have completed their Certificate 3 in Transport Operations. Well done, and we'll toast your great work at the Christmas party!

CHRISTMAS BASH

We are all looking forward to our Christmas party at the Kingston Hotel, which will involve a steak on the BBQ, a quiet drink and lots of reflection!

SYDNEY

It has been another busy and satisfying "Silly Season" at the Milperra branch. It's been a fantastic job by the team to maintain our service levels during this traditional spike in volumes. We are fortunate that the new hardstand loading areas and the parking area were complete to allow for a smoother flow of traffic and freight. This has not only allowed us to move more freight more efficiently but to do so in a dust and mud free environment. Over this period we had our first night of 1000 plus tonne, which was a significant milestone.

Things have been a lot more peaceful at Milperra lately as Jim Stace has taken on an expanded role in the organisation and now has overall responsibility for Queensland as well as Sydney. As such he has been spreading his time between Milperra and Acacia Ridge. Obviously Jim is missed in Sydney but Michael Thompson and his team have done a great job covering his absence.

CONGRATULATIONS

Victoria Rey has taken maternity leave and we all wish her well with her Little "Rey" of Sunshine.

NEW FACES

Victoria's role has been filled by Darrien Madden, who until recently worked for one of our major customers. Not only does she bring with her a wealth of skill and experience but also a perspective from the "Other Side".

BRISBANE DEPOT NEWS

Brisbane has recently taken delivery of four new local tautliners as we continue to upgrade the fleet. After a couple of serious night sessions at the Legendary Stace School of Fleet Acquisition, and passing with straight A's, I anticipate we will add to the fleet numbers early in the New Year!

In regional circles, the Gold Coast Satellite facility was opened in early September, and is steadily growing in terms of import and export accounts. The Brisbane depot seconded two bodies to the coast (Gary Gillam and Chris Shepherd – some of you will remember him as "sandshoes"), and they are developing and maintaining an excellent service, ably supported by David Owen (Brisbane driver) who makes the trek down each morning with locally generated freight. (Max - we may be looking for two larger depots in Queensland, not just one!!).

We also welcome Kylie Ann Brown to the customer service team. Kylie has slotted right in and proving to be a valuable contributor from day one.

CHANGES

Peter Tribe has taken over the Training position at Milperra. Peter is not only enormously experienced but very dedicated to the task.

FAREWELL

Grant Bradley has left to pursue other opportunities and we wish him well in his endeavours.

CHRISTMAS BASH

This year's Christmas Party was held on a boat on the Sydney Harbour. It was a great day with beautiful weather.

Special mention to Alicia who managed to feel seasick before the boat had left the pier! Thanks to Tracey and Victoria for organising the day. It would be difficult not to enjoy the good company in such a great environment.



Graham Gillard, Ian Formby, Din Seferovic at the Sydney Christmas party

To all the other depots and our customers – Merry Christmas from Team Sydney!!

WELCOME

Since the last newsletter, Brisbane has appointed Paul Thompson (previously known to BEX employees) as PM/Linehaul Supervisor for a contract period, and with his wealth of knowledge, experience and enthusiasm, Paul is offering a new dimension to the PM shift here in Brisbane.

CONGRATULATIONS

Nicole Ferguson (Brisbane Pick Ups) and Robert Breuer (local trailer driver) have welcomed into the world a baby girl. Reasonably long, normal weight and healthy – what else do you need to know? Mother and daughter doing well, father resting comfortably.

Shayne McMahon (Brisbane Pump-In guru) and his wife also welcomed a little girl. Same old same old – big enough, heavy enough and healthy. Both mother and daughter doing great, father, again, resting peacefully.

David Rutter and his wife are expecting their 10th child.

Border Express

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