

# LOSCAM LEADER

THE MAGAZINE FROM LOSCAM AUSTRALIA ISSUE 16

*Setting the standard for over 60 years...*

*Australia*



**Driving  
Effective Pallet  
Management for Transporters**  
VTA and Loscam Workshop

# contents

CEO speak	2
Grant Burge Wines	3
Loscam VTA Presentation	4
Regal Cream	5
GPS Zone Switch	6
Good News For All	7
News Briefs	8

## ceo speak

Over the past six months the Loscam Board has been considering its options in respect of whether to list or find new partners for the Loscam business. After a very thorough process I am pleased to announce that the company has been acquired by China Merchants Group.

China Merchants Group is a Chinese State-Owned enterprise that traces its roots back to 1872. It is a diversified conglomerate with a focus in three core business segments: transportation and related infrastructure, property development and management, and financial investment and asset management.

The management team will continue to retain equity and run the business with the same values and customer-centric approach as we have demonstrated successfully in the past.

Keith and I share our thoughts on the sale, our new owners and what it means to you our customers later in the magazine.

We have worked hard to try and maintain business as usual through the sale process and I am pleased we have made progress in working with our customers to improve pallet management and controls. We have started a process of holding regular meetings with key industry groups such as the VTA (page 4). Through these meetings we aim to improve our service and listen to both customers and users within the pallet pool.

Our investment in safety and depot efficiency continues with the successful rollout of a forklift GPS safety system (page 6) which better controls forklift speeds in working areas. This is another tool within the Loscam IMS to help us stay ahead of the game when it comes to safety.

We are all extremely excited about the opportunities that the new ownership will bring to us all.

*Mark*

Mark Daniel – CEO, Loscam



## LOSCAM

### National Office

Level 1/37-41 Prospect St  
Box Hill 3128  
Ph: (03) 9843 3700  
Fax: (03) 9843 3702

### Victoria/Tasmania

51 Nathan Rd  
Hampton Park 3976  
Ph: (03) 9794 9898  
Fax: (03) 9794 0158

### New South Wales

99-101 Newton Rd  
Wetherill Park 2164  
Ph: (02) 9756 3911  
Fax: (02) 9756 3955

### Queensland

65 Grindle Rd  
Rocklea 4106  
Ph: (07) 3277 9166  
Fax: (07) 3274 1404

### South Australia

192-214 Cormack Rd  
Wingfield 5013  
Ph: (08) 8243 0300  
Fax: (08) 8243 0099

### Western Australia

280 Bannister Rd  
Canning Vale 6155  
Ph: (08) 9455 6000  
Fax: (08) 9455 6222

### Asian Regional Office Thailand

Ph: 662 613 0700  
Fax: 662 613 0799

### Customer Service

1300 309 930  
www.loscam.com

### CONTACT US

For general enquiries, contact David Edwards, tel (66) 2613 0700, mobile (668) 48747970, david.edwards@loscam.com

If you wish to receive the *Loscam Leader* or *Loscam Across Asia* magazine by email please contact: editor@loscam.com

ON THE COVER:  
K&S Industries vehicle with  
Loscam Livery.

# grant burge wines

A CONCERTED EFFORT TO WIN OVER GRANT BURGE WINES HAS FINALLY BORNE FRUIT WITH THE SOUTH AUSTRALIAN-BASED WINEMAKER RECENTLY SWITCHING ITS PALLET ACCOUNT TO LOSCAM.

Located in the Barossa Valley, Grant Burge Wines has an illustrious heritage. Grant Burge is a fifth-generation vigneron and winemaker and is a respected and innovative force in the Australian wine industry.

Grant can trace his roots back to 1855 and the arrival in the Barossa Valley of English migrant, John Burge. He created a farm with wheat, sheep and viticulture, and one of his son's, Percival, established a family winery in the region in 1916.

Percival had two sons – one of whom is Grant's father.

Today, Grant, his wife and children are carrying the family's winemaking tradition into the 21st century and have created a nationally and internationally recognised winemaking company.

Grant Burge Wines can be found in independent liquor stores, Coles and Woolworths supermarkets across Australia and is exported to many countries around the globe, explains Roger Dowling, Supply Chain Manager.

The business has a large distribution centre in the Barossa linked to the back of the winery, and national and international dispatching – now on Loscam pallets – is done from this site.

Ensuring the distribution centre has a steady supply of well-maintained pallets is key to ensuring the wine is dispatched smoothly to its many markets.

"Our business deals with the major chains and we have to make sure the pallets we use are standard size and aren't rejected in our customers' automated distribution centres," says Roger.

"And we need pallets to be uniform and to not have gaps or boards missing that could potentially damage our product."

About 12 months ago, Grant Burge Wines switched its pallet account to Loscam. This was a rewarding achievement for Loscam's SA State Manager, Paul Hallett, who had been chasing the winemaker's business for a few years.



It took time and effort for Paul and Roger to agree what Loscam could do to improve the pallet situation at Grant Burge Wines.

"The wine industry is a good environment for our pallets as they are less likely to get damaged. We targeted the food and beverage industry in the Barossa Valley and worked on winning Grant Burge Wines. It wasn't easy - but we got there in the end!"

"Our pallets have good top deck coverage so when the wine sits on the pallet it sits across the mass of the pallet and cartons don't fall in between boards. The quality of our pallets and the design was an advantage for this company," says Paul.

Roger says Loscam's ability to respond quickly to the company's needs also persuaded him to make the switch.

"They were prepared to come and see us when we had issues with pallet quality. Our export is done on slip sheets and the guys at Loscam came up with a solution so we could use the standard domestic pallets for export purposes and didn't have to use export and domestic pallets," says Roger.

The two businesses celebrated their working relationship in March with a barbeque hosted at the winery by Loscam.

"Each month we select a customer and go to their site. It's to acknowledge the work they do and enables both companies to learn more about each other," says Paul.



"THE DAY AT GRANT BURGE WINES WAS GREAT. WE COOKED, ATE GOOD FOOD AND OBVIOUSLY ENJOYED A COUPLE OF GLASSES OF GREAT RED."

Paul Hallett - Loscam SA State Manager



Roger Dowling and Paul Hallett

# VTA presentation



Laurie Patching – Border Express



Daniel Bunnett

**GOOD PALLET MANAGEMENT – PRESENTING THE FACTS**  
MEMBERS OF THE VICTORIAN TRANSPORT ASSOCIATION WELCOMED AN INNOVATIVE WORKSHOP, LEAD BY LOSCAM, ON THE ESSENTIALS OF EFFECTIVE PALLET CONTROL. NOW LOSCAM PLANS TO SPREAD THE WORD TO OTHER KEY INDUSTRY GROUPS

**WHEN IT COMES TO PALLET CONTROL, TRANSPORT COMPANIES CAN SOMETIMES BE IN AN UNENVIABLE POSITION – CAUGHT BETWEEN MANUFACTURERS AND RETAILERS.**

Effective pallet control or pallet management can make life much easier for transport companies, so Loscam organised an industry event earlier this year to help address common pallet management issues faced by transport companies.

The presentation and workshop was attended by 34 members of the Victorian Transport Association and was an opportunity for transport companies to share their pallet control problems – such as lost pallets, driver education and impacts on productivity – and to showcase potential solutions to those problems.

Daniel Bunnett, Loscam Australia's Commercial Manager, says the Loscam initiative, one of the first of its kind, was about being proactive in providing customers with the training, support and tools they need to manage pallets more seamlessly.

"We're aware there can be problems amongst our customers in relation to their ability to track and manage our pallets effectively. We wanted to bring together a group of pallet controllers with similar roles and responsibilities and take them through some of our learnings," says Daniel.

"We wanted to improve customer awareness of what makes a good pallet controller and of the common mistakes made in pallet control and potentially how to best rectify those. Most importantly we saw this as an opportunity to provide a forum for people to share ideas and experiences."

Key skills required of good pallet controllers highlighted in the workshop included an ability to pay attention to detail, diligence, clear communication skills, being 'systems minded' and having a tenacious 'pit bull' approach when required.

Daniel says the workshop also highlighted how seriously Loscam takes pallet control and monitoring of its pallets.

"We spend a lot of time, money and effort in developing training programs and systems to best educate our customers about effective pallet management," he says.

"The benefit of a presentation like this for Loscam is that we're educating our customers in practices to help avoid the loss of pallets and unnecessary hire charges. We also hope our customers see that Loscam wants to help them create best practice, so their exposure to the consequences of poor pallet management is minimised."

The presentation also highlighted an enhancement of the Loscam Online system that allows customers to raise and generate dockets and order pallets online.

Laurie Patching, National Pallet Manager with Border Express, attended the Loscam presentation and says the event provided useful insight into the bigger picture of pallet control.

"It explained the key areas of how transport companies should approach their pallet control," says Laurie.

"It's important to make sure that all personnel involved in the handling of pallets at any stage understand the importance of managing paperwork, counting, recording and reconciliation on a daily basis to maintain control of our financial interests with pallets.

"This was a great opportunity to find out from other companies the day-to-day problems we all have to deal with and to help each other out."

With feedback from the first pallet management presentation being overwhelmingly positive, Loscam is now looking at approaching other key transport and logistics industry groups to roll out further presentations and spread the good pallet management message further afield.



# regal cream

CREAM OF THE CROP

**REGAL CREAM, BETTER KNOWN TO MOST OF US AS BULLA DAIRY FOODS, HAS BEEN A LONG-TIME CUSTOMER OF LOSCAM. DURING THE COMPANY'S CENTENARY YEAR IN 2010, LOSCAM WAS INVITED TO JOIN THE CELEBRATIONS.**



Regal Cream, parent company of the Australian favourite Bulla Dairy Foods, has been making quality dairy products in country Victoria since 1910.

The traditional dairy skills used to make Bulla's creams, ice creams, cheeses and yoghurts have been passed down now through five generations and during that time the company has expanded to have a national profile and around 600 employees.

The company's traditions, growth and successes were celebrated earlier this year during a special centenary dinner at Melbourne Museum. Around 440 people attended, including key employees, around 120 members of Regal Cream's founding families, customers, and suppliers, including Loscam.

Members of the company's '25 Year Club' – employees who've been with the business for 25 years or more – were also invited to a night that included presentations and speeches. Regal Cream also produced a special edition centenary book for the event.

David Mahoney, Procurement Manager at Regal Cream, has been with the company for 28 years and says the centenary dinner was a chance to reflect on the company's achievements.

"It was also an opportunity to see some familiar faces. I managed to speak to some family members of the company who'd retired or moved away from the area," says David.

"When I joined Regal Cream there were 100 people in the business and now there are 600-odd people, but the business has never lost its family ethos. Our Bulla Golf Day is a popular event with our families and there are still family members working in the business from Managing Director level to the factory floor. I think that has been an important part of our success."

Mandy Paydon, Loscam Sales Executive, looks after the Regal Cream account. Loscam has been supplying pallets to the dairy food business since 1987 with Loscam setting up an agent in Colac, close to Regal Cream's two sites in the town, in order to provide the business with a reliable monthly supply of pallets.

"Because Regal Cream is based in Colac, transport is a huge cost for them in terms of getting pallets from Melbourne to Colac," says Mandy.

"Around 10 years ago an agent was sourced, CMT, in Colac to specifically supply Regal Cream. The supply of pallets from the Colac agent and a high level of customer service and support have helped sustain our working relationship."

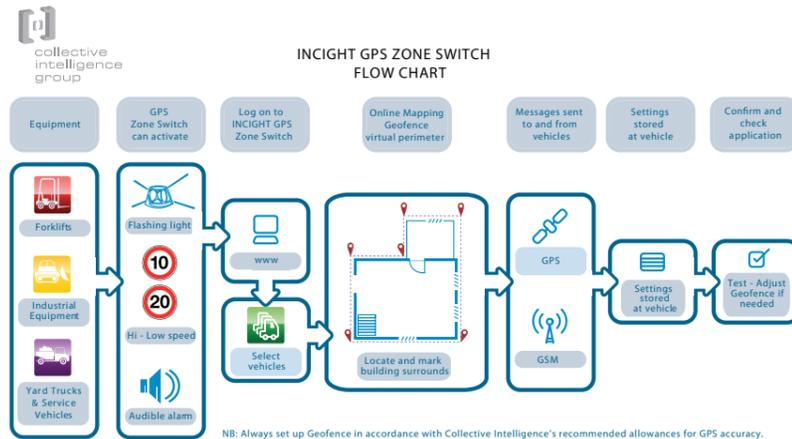
Regal Cream's products are transported from their distribution centre to supermarkets across Australia on Loscam pallets. David says the company has also encouraged businesses supplying packaging material to Regal Cream to also use Loscam pallets to 'close the loop'.

He says the lighter weight pine pallets supplied by Loscam are also more effective for Regal Cream from an operator handling perspective and perfectly match the dairy food business's requirements.

"Pallet management works well between us and Loscam and we always have pallets available," says David.

"We need to have confidence in our suppliers – whether they are supplying raw materials, packaging or pallets, and we have that confidence in Loscam."

# GPS Zone Switch boosts safety



## IN ANOTHER STEP TO IMPROVE SITE SAFETY, LOSCAM HAS WORKED WITH POWERLIFT NISSAN TO INTRODUCE CUTTING-EDGE GPS TECHNOLOGY THAT AUTOMATICALLY CONTROLS THE SPEED OF LOSCAM'S FORK TRUCK FLEET.

The new technology – GPS Zone Switch – has been developed to better and more safely manage fork truck speeds in various working areas of Loscam's facilities.

Each fork truck has been fitted with a module that provides a GPS location and the ability to initiate a 'switch'. The 'switch' has the capacity to automatically activate the truck's speed settings.

Zone boundaries, known as 'Geofence', are set up via a web interface, like Google Maps. The Geofence application allows areas within Loscam's various sites to be plotted with the simple click of a mouse.

The settings are stored on a server that communicates wirelessly with the fork truck fleet once a vehicle is in motion. Once a truck enters or leaves a zoned area, a switch in speed governance is automatically initiated.

Areas inside the zone switch – such as areas around pedestrian traffic – see the fork truck automatically switch to a lower speed.

"There was complexity in our objective. We wanted to slow fork trucks in areas close to pedestrian traffic and enable normal operating speeds in areas where it was safer to do so to maintain operational efficiencies," says Peter Burgess, Loscam's National Operations Manager.

"GPS Zone Switch enables management of vehicle speeds dependant on area requirements."

The technology has been well received at Loscam's Wetherill Park site where four new Nissan forklifts have been fitted with GPS Zone Switch.

Martin Morales, Operations Manager NSW, agrees that the technology is all about increasing the safety of Loscam employees.

"We specifically want to ensure the forklifts slow down inside the shed area where we have more pedestrian traffic," says Martin.

"We've also restricted forklift speed around the staff car park area. Our forklift operators were conscious of maintaining safe speeds anyway, but this technology automatically reduces speed in certain areas and gives our operator one less thing to have to think about. It's certainly helped increase safety for everyone at Wetherill Park."



Peter Burgess

## "WE'VE DELIVERED A SAFER WORK ENVIRONMENT THROUGH AN IMPROVED TRAFFIC MANAGEMENT SYSTEM."

Peter says Loscam initiated discussions with Powerlift Nissan because of the increasing importance of Occupational Health and Safety at the company's sites. Powerlift Nissan then worked in conjunction with its Fleet Management Technology provider, Collective Intelligence Group, to create the cost-effective and user-friendly GPS solution.

"The module fitted in a fork truck obtains GPS location from satellites and is ideal for sites where speed within a warehouse needs to be restricted, and where speed needs to be increased outdoors," says Peter.

"A further safety feature is that whenever the module cannot obtain a GPS location, the 'switch' is defaulted to low speed.

"The result of the development work between Loscam's equipment and technology suppliers certainly achieved our objectives. We've delivered a safer work environment through an improved traffic management system."

# Good News For All loscam completes sale

Earlier this month, the Board of Loscam announced that the business had been acquired by the Hong Kong-based China Merchants Group. Keith Dargavel, Regional Director – Australia, and Chief Executive Mark Daniel answer some key questions as to what the change of ownership would mean for Loscam and its customers.

## Firstly, why did the previous owners decide to sell the business?

**Mark:** We were previously owned by Affinity Equity Partners, an Asian-based private equity firm. They had owned Loscam for five years. As the business had continued to grow the Board looked at what options we had available to it. The process that we have just completed was a normal process of looking at how best to handle our growth aspirations.

## What can you tell us about China Merchants Group?

**Mark:** China Merchants Group is a Chinese State-owned business, which is based in Hong Kong. It was established in 1872, and as well as being one of China's oldest companies, it is also one of its largest.

## What sort of businesses does CMG own?

**Mark:** It is very broad. In transport and related infrastructure, they own China's largest public ports – in Hong Kong and China, their ports account for 30% of total TEU throughput. They also have CIMC as a subsidiary, which is the largest manufacturer of shipping containers in the world. They also make a range of other products as diverse as aerobridges, steel pallet boxes and road transporters. Outside of that, they own toll roads, one of China's largest banks, industrial zones and many other businesses. We are their first pallet business, their first pooled equipment business – and the first acquisition they have made outside of Asia.

## Why is Loscam of interest to them?

**Mark:** They were really taken aback by the growth that Loscam has enjoyed, particularly over the past decade. Like us, they also see the enormous potential for this to continue.

## What will they bring to Loscam?

**Mark:** For us it is about three things. Certainly, as a large, well-run business, they are ideally placed to support us as we grow with our customers. Undoubtedly there will also be some opportunities with new products for our business. Finally, they have many years of experience doing business in China, which

will be of great benefit to Loscam. Overall, these factors are expected to result in our growth plans and our ability to meet customer needs.

## Where will Loscam sit within the CMG business?

**Mark:** We will be grouped among the "transport and related infrastructure" section of their business. One of the things that is most pleasing – and I see as a sign of how they view us – is that the CMG President Dr Fu Yuning will chair the Loscam Board. This is a great plus and one that is very important for Loscam.

## How do you feel personally about the future?

**Mark:** For me, the new ownership provides the business with the platform to continue to grow and improve on the services that we provide to our customers. This is what is exciting – we will be able to continue to grow and meet our customers' expectations.

## How will it impact on Loscam in Australia?

**Keith:** I don't expect there will be any impact. It really will be business as usual. Our staff and management team remain responsible for the day-to-day business of working with our customers.

## Can we expect to see any visible changes to Loscam?

**Keith:** No – there will be no visible change. If anything, the main change will be that we are now better able to respond to our customers' needs. China Merchants Group is a good strategic fit with Loscam, and they have made it clear that they want the values and culture of Loscam to be retained.



Mark Daniel

Keith Dargavel

## What are your priorities in Australia?

**Keith:** Our number one priority is to continue to support our customers, through the reliable provision of quality pallets. Beyond that we will be looking at new product and service opportunities that the CMG business may be able to bring to us.

## How do you feel personally about the future?

**Keith:** I believe it is an enormously positive outcome for Loscam, with the company set to benefit in various ways. I am extremely excited about the opportunities that the new ownership will bring to Loscam.

# News Briefs:

## oxfam trailwalker

Sore feet and aching muscles for a good cause.

In April a team from Loscam joined the Oxfam TRAILWALKER event and raised \$4,000 to help combat poverty.

Peter Gallagher, Shaun McNally, Mark Dobson and Kate Matchett completed the 100km trek on the outskirts of Melbourne in 27.5 hours.

"You reach a point where your body tells you it needs rest but your mind says you have to finish. When you reach the end of the walk there's a huge sense of achievement," says Peter, Loscam's Chief Financial Officer.

Many employees offered encouragement and donations and Peter says the event highlighted the importance of social responsibility.

"I want to complete it in under 24 hours next year," he says.

"I just need to find some people crazy enough to do it with me!"



## LOSCAM QUEENSLAND supports biggest morning tea

It was an opportunity to raise funds for cancer research and to meet clients to discover how Loscam could service them better.

On 27th May, Loscam Queensland held a 'Biggest Morning Tea' fundraiser for the Cancer Council with about 40 people attending from 17 client companies. Generous donations were collected for cancer research, and Loscam also discussed the new Loscam Online Data Entry Portal and the success of the company's recent Pallet Control Workshop. Feedback from the morning tea was positive.

"Thank you to the Loscam crew for their hospitality. It was nice to be amongst people who show they care about those who use Loscam pallets," said attendee Frances Carrigan of Professional Pallet Management.



## LOSCAM WESTERN AUSTRALIA peter hughes burn foundation

Peter Hughes' burned face became familiar to many Australians after the Bali bombing in October 2002. Since then, he has set up the Peter Hughes Burn Foundation to support Australians affected by burn trauma.

Loscam Western Australia was a sponsor of the Foundation's retreat, which was held in Melbourne in May for children and young people affected by burns. The retreat enhances self-esteem and coping strategies and Loscam donated \$1,800 to provide caps and T-shirts to everyone who attended.



## LOSCAM VICTORIA smith family's around the bay in a day

This year the Smith Family aimed to raise \$1,000,000 for their Learning for Life education and learning programs. Loscam was proud to support Graham Bryant's Simplot Australia "ride for a reason" team which was able to raise over \$5,000 to go towards this worthy initiative.

The Smith Family Around the Bay in a Day is the ultimate one-day challenge, an annual event that takes thousands of cyclists around Port Phillip Bay. With a choice of five ride distances (250km, 210km, 100km, 80km School Challenge or 50km), the event offers a challenge for riders of all abilities. Congratulations Graham!