



Presentation to IRTENZ
June 2013

Scott O' Donnell, Managing Director



Hall of Fame & Truck Museum




NZ ROAD TRANSPORT
HALL of FAME
in association with
Mobil Delvac

HWR Group Fleet Overview

Transport

(Rural & Specialised)

330 Trucks
400 Trailers

Petroleum (NZ/Oz)

80 Trucks and Trailers

Concrete

350 Trucks

Contracting

70 Trucks and Trailers

Waste

60 Trucks



Cost of RUC
across the Group
◀ \$15 million per annum

Diesel consumption
across the Group
◀ 19 million litres per
annum

Transport Capex
\$40m per annum

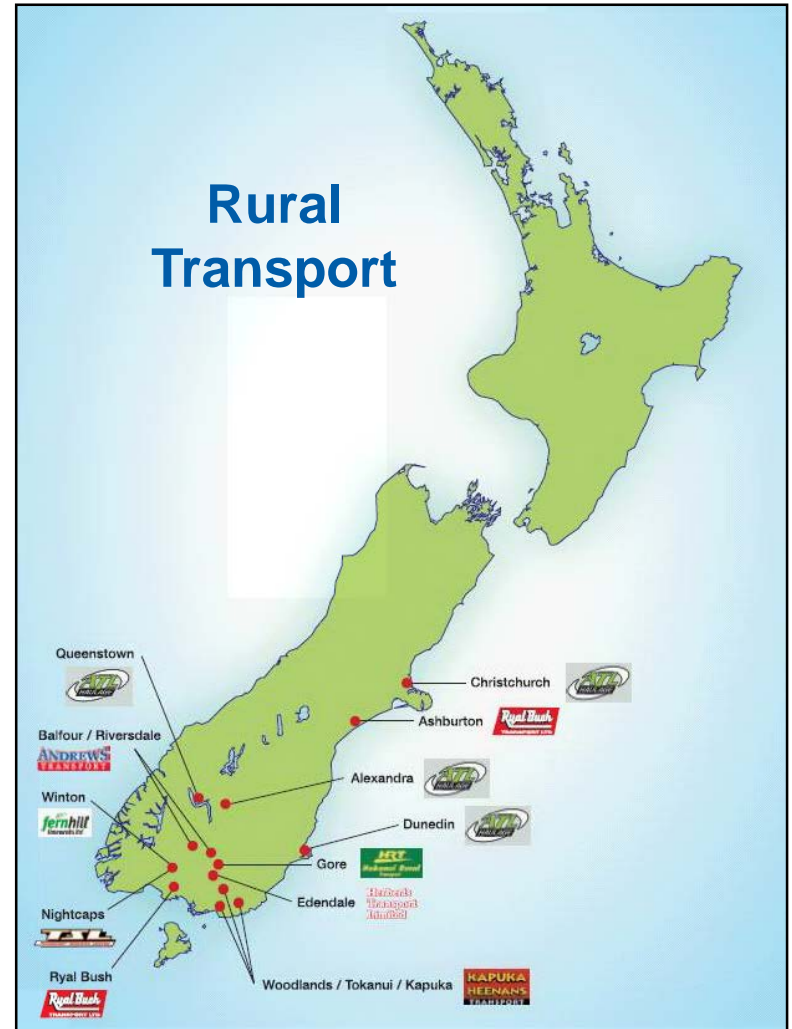
Presentation Overview

- The Challenges in running HWR (last 10 years)
- Significant achievements in that time
- Challenges looking forward
- Focused on Concrete and Rural sectors

Concrete

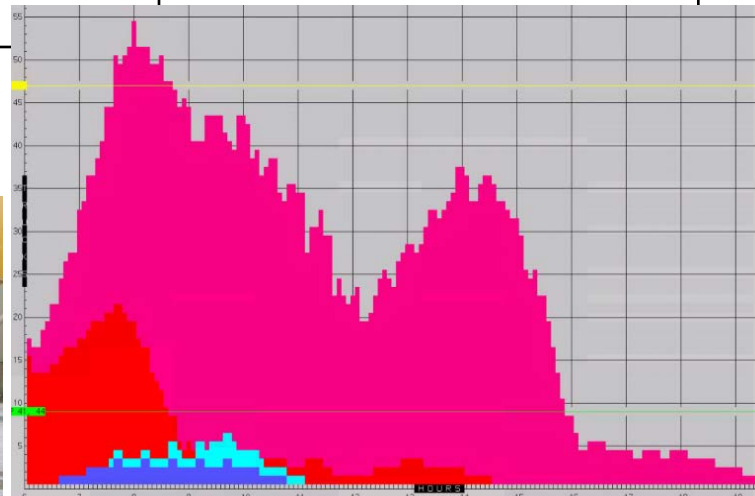


Rural Transport



Concrete Division

Challenges	Achievements	Future
<ul style="list-style-type: none"> • Demand changes past 2007 (-35%) • Driver skills • Fleet efficiency (Oz 50% better than NZ) • Log books (15km leads) 	<ul style="list-style-type: none"> • Bigger units, less drivers hours per metre • Driver training programmes 	<ul style="list-style-type: none"> • Really harnessing technology • Idling time control • Demand pattern pricing • Increased number of female operators



6am 8am 10am 12pm 2pm 4pm 6pm

Concrete Vehicle Weight Limits

New Zealand		Australia (NSW)		Gain
3 axle	21	3 axle	22.5	7%
4 axle	26	4 axle	27.5	6%
5 axle	29	5 axle	31.0	7%

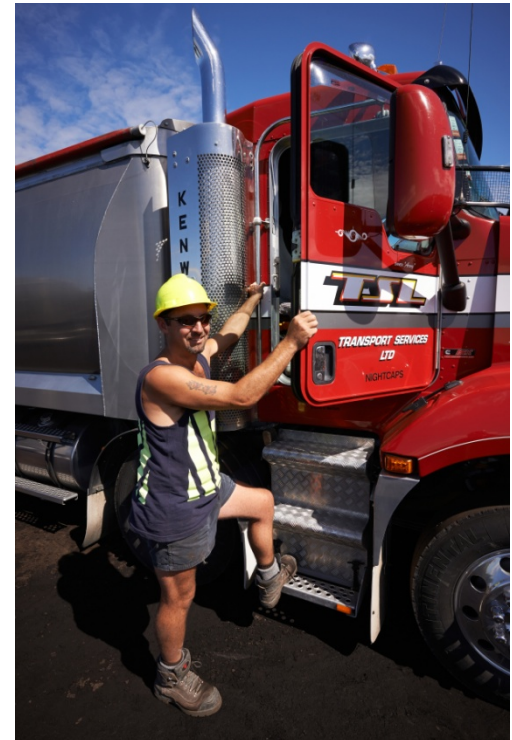
Rural Division

Challenges	Achievements	Future
<ul style="list-style-type: none"> • Health and Safety (livestock and fertiliser spreading) • Conservative mind sets • All are engineering experts • Government regulation that controls vehicles configurations • Effluent control 	<ul style="list-style-type: none"> • More convertible stock to bulk units • Rural joint venture structures • Driver training • Effluent dump st 	<ul style="list-style-type: none"> • Corporate farming (dairy) • Getting management teams in rural areas



Achievements over the past 2-3 years

- HW Richardson Group Driver Trainers (ITO Licencing Qualification)
- Pre-empted HPMV rule with 9 axle units on the road before law commenced
- Succession planning



Industry Challenges

- Driver Training of the right quality
- Fair allocation of the roading budget
- Other compliance (H&S, Environmental) and getting the accountability right
- Attracting staff to join the industry (harder to get license) – gap from 15–18 years

HWRichardson
GROUP LIMITED



THANK YOU

 Allied Petroleum
never run out