



Peter Voskühler - Vice President STI FM

Our Strengths:

Tailor-made Transport Solutions

100 % Customer Focus

Competitiveness

Expertise

High Level Services

Reliability

Quality Management

Flexibility

24 hrs/7

Peter Voskühler - Welcome to the World of Freight Management!

What a phrase! I heard these words quite often since I started at STI Freight Management on June 1st as the new Vice President of our network.

Although it is only a couple of weeks I have already realized that the "World of Freight Management" is a special world. It is exciting and challenging, it is fun and a lot of work, it is multicultural and local and most of all: it is everything but boring!

Just to summarize some of the most important changes:

With the implementation of the STI Freight Management network we have reached an important milestone in the development of our company.

We have started to deploy our common finance software across the European countries.

At the same time we are in the rollout of our new common Transport Management system Carlo

All this will bring a lot of changes to the way we run our business.

But – at the end of the day – it is only about organizational changes, only about processes and software – very important, I admit, but nothing without the people that fill these changes with life.

With the Freight Management concept the stage is set. Now it is up to us to give a meaning to it and continue the path that has been prepared for us.

Of course there are huge expectations waiting for us – we are facing a difficult market situation in all segments of our activities, the world is getting more and more complex and the pressure to be successful is not getting less.

STI Freight management is a real European company, a network with a lot of talented and creative people – we have the unique opportunity to combine all our strengths, the different cultures and our experience to make it happen!

Together with our partners of Food Service Logistics at Keystone and HAVI Logistics and our global agents we are able to offer a wide range of high quality logistic services that will be very difficult to beat by competition - if we play it smart.

I have no doubt that with openness, honesty, respect and the required level of organization and transparency we will continue to be successful in the future.

"Life's a journey, not a destination" Aerosmith sung in their song "Amazing". I think that fits very well to our situation – the development of **our** group - the STI Freight management Network in Europe - is a journey, not a destination. The volatility and the speed of market development do not allow us to stand and rest on our laurels – we always need to be one step ahead.

That is why it is amazing to be part of it!

Enjoy reading this newsletter.
Yours Peter Voskühler



STI FM Group members continue to grow together - STI UK using same IT environment

Before the merger of Keystone and HAVI Logistics STI entities worked on different IT platforms. This is changing now. As a first step all STI UK users were switched from the Keystone IT network to the HAVI Logistics network.

With this step we move closer to our target to standardise the IS infrastructure and harmonise the IT landscape for the entire network and implement common procedures.

The project team for this very challenging change consisted of members from Keystone, HAVI Logistics and STI.

The bridges to overcome were the installation of a completely new network, whilst keeping the existing network in place and overcoming the limited availability of ports, office space and avoiding the complete rewiring of the new HAVI network into the STI offices.

It was clear from the outset that this would not be an easy change due to many embedded dependencies.

- A single fibre line into the Keystone depot now required to accommodate two systems
- The existing VOIP was part of the Keystone communication network
- Accounting functions were carried out on the Keystone network
- Emails were on Lotus Notes
- Printing resources were embedded into the Keystone system
- Customer Services Helpdesk also embedded in lotus notes

With the help and co-operation from the Havi IS Team lead by Andre Langer, the STI-FM project team lead by Cavit Kaplan and STI UK team Pierre Henry and Ray Smith (*the right people in the right place at the right time*) we planned for success, and made this stage of the project an outstanding success.

The last, but not least company to follow now is STI France. Once everything has been completed in this market it will be even more easy for our network to exchange data and work much more effectively and efficiently to serve our customers.

Electronical Transmission of Transport Orders - HAVI DE and STI Germany connected via XML-EDI interface

A new EDI interface provides STI the functionality to transfer transport orders from ILOS to "CarLo*" electronically. With this development STI and HAVI Logistics (divisions FSL and IS) achieved a win-win situation for all parties involved.

This interface for the ILOS-release 16 and the new STI Transport Management System "CarLo" went live in Germany successfully during the 1st quarter 2010.

The main advantages of the EDI interface are:

1. Time
 - immediate data transmission at any time
 - reduction of order cycle time
2. Quality
 - no multiple data entry
 - no typing and reading mistakes
 - no unreadable documents
3. Costs
 - low transaction costs
 - allocation of labor costs

During the second and third quarter 2010 STI plans to implement this interface in the other STI markets as well.

*"CarLo" is the common Transport Management System which is currently implemented for the entire STI Freight Management Network.

STI (Deutschland) GmbH is already working with this tool since November 2009. STI Hungary and STI Polska started recently. The next companies to follow are STI UK Ltd., STI Italia, STI Glonet and STI Scandinavia as well as STI France.

Once all STI companies will be using the same system we will reach a much better transparency and can exchange transport orders more easily. At the same time transport planning will be further optimised and empty mileages can be avoided.

One Network - One Platform!

“Green Transports” from Mannheim to Neu Wulmstorf in Germany

Following our customers McDonald’s goal to reduce CO2 emissions, STI (Deutschland) Neu Wulmstorf has started a regular combined transport route.

Together with the haulage company “Hamburger Spedition”, who are partners of Kombiverkehr GmbH & Co. KG, STI organises the collection from the supplier Johnson-Diversey to Neu Wulmstorf.

First trial shipments were arranged already in November 2009. Cargo from Johnson-Diversey’s warehouse partner Logwin in Mannheim is picked up in 13,60 m tilt trailers and then taken to Frankfurt-Ost cargo terminal.

Once loaded on the “Huckepack” trains, the trailers are transported by railroad to Hamburg cargo station. From there it is only a short trip trucking to the HAVI DC in Neu Wulmstorf.

After the successful trial period, this has now become a steady transport routine.

The transport works in an A to B delivery service and thus can easily compete with direct transport on the road.

Optimisation in the HAVI unloading procedure at the DC has even led to a minimum of waiting time for these deliveries.

This way, STI and HAVI DC Neu Wulmstorf are commonly supporting our customer to save CO2 for the environment.



Super Slow Steaming - By using Maersk as a carrier STI continues to support the environment protection

In 2007, Maersk Line - one of STI's major shipping partners - initiated a comprehensive study on 110 vessels, which showed that despite traditional policy on 40-60% as minimum engine load, it is safe to go as low as 10%. This makes it possible for containerships to sail at half speed, thereby reducing not only fuel costs significantly, but also CO2 emissions.

Being able to select any given speed down to 10% engine load, enables a more flexible voyage and schedule planning as well as vessel savings amounting to 10-30% fuel and CO2. For a post-Panamax container ship it amounts to saving USD 1 million equal to 3,500 tonnes fuel and 10,000 tonnes CO2 per year.

By using Maersk Line for our container import/exports we can contribute to lower the emission of greenhouse gases and achieve additional benefits for our customers as transit times and schedules are more reliable.



Do you know that STI offers **part load transports** to several **destinations in Europe**? Contact us if you would like to learn more about this service (info@sti-fm.com).

Ice and Snow to Hot Fashion Show - STI-Scandinavia is on the move again!

On 02 and 03 March thirteen trailers arrived in the centre of Paris. Their cargo was the décor for the Paris Fashion Week.

As an expert in temperature controlled transports STI-Scandinavia was chosen to organise the transport of thirteen full loads of ice and snow. The cold cargo of 240 tons of real snow and ice was loaded in the far north of Sweden and transported 3,000 km south to the Grand Palais in the middle of Paris. All trailers had to be open sided to enable the cargo to be loaded and unloaded safely.

At the Grand Palais skilled ice designers from Sweden then built an arctic world of icebergs as found at the North Pole.

In this fantastic ice landscape, the models from a leading French fashion house showed their autumn and winter collection 2010/11 to the celebrities shivering in the arctic climate in the front rows.

As anyone can imagine, the logistics task was a real challenge, but with the local help from our French STI office, our trucks were able to deliver their loads to this very central location with perfect timing.

This was surely an unforgettable and demanding transport assignment and we would like to give my warm thanks to all our professionals who made this a perfect operation!



Do you know that the STI Freight Management Network now consists of 11 entities all over Europe and that we have designed a **new common website**?

Visit us under: www.sti-freight-management.com and learn more about our network activities and what we can do for you!



S.T.I. (UK) Ltd. on the fast Lane!

Kerry Group developments



STI (UK) has been selected by **Kerry Ingredients** to provide a full Freight Management package for Kerry Group Company **Dairyborn Foods Ltd** beginning in mid-July.

Dairyborn specialise in offering tailor-made solutions in cheese production. They import raw product which is then skilfully processed at their Luton plant. As an existing supplier to McDonalds, they, and Kerry Group have been able to assess at first hand, the benefits of using the STI model and have now committed all of Dairyborn's logistics requirements to the network.

The award – with a potential revenue of £500,000 - followed a lengthy tender process led by Mark Walton on behalf of STI and will involve the management of all aspects of Dairyborn's transport and distribution, including stock transfers between Dairyborn's Luton based production site and Hemel Hempstead, where Keystone will provide storage and despatch facilities.

STI will also be responsible for full and part load distribution throughout Europe and the UK, using a combination of STI's own network and that our UK Partner, the Absolute Temperature Network operated by David Price Foods Ltd.

UK-wide temperature controlled distribution network

STI (UK) is now able to offer a full, UK-wide temperature controlled distribution network for shipments of up to 4 pallets, through its partnership with the **Absolute Temperature Network** operated by David Price Foodservices Ltd in conjunction with a number of other UK carriers.

David Prices vehicles will collect product from Hemel Hempstead daily, and can deliver throughout 95% of mainland UK the following day.

For further information please contact Mark Walton (mark.walton@sti-fm.com or phone +44 1442 276329)



Trade Memberships



As STI seek to broaden its profile in the UK market, we have joined 2 key Trade organisations;

RHA (Road Haulage Association)

This is one of the key bodies that represent the UK Haulage industry, offering legislative and legal advice as well as an opportunity to make contact with and network with, other member Companies. We now able to trade under the RHA standard Terms & Conditions when carrying out domestic work in the UK.

BFFF (British Frozen Food Federation).

STI have joined the largest trade body that represents the Frozen Food Industry in the UK as an Associate member. This gives us direct access to Industry forums and networking events as well as being able to profile our Company in front of key decision makers within the industry.

It is time to enter new markets!

..... do you already have Holiday Plans ? No! What about a cruise with one of the big white ships? Doesn't it sound like a nice change?

We as STI (Deutschland) GmbH are not able to guarantee that the weather will be nice during your trip - but for the forthcoming European

season STI (Deutschland) is going to deliver Food and beverages all over Europe – therefore we can guarantee, that even If you might not get one of the limited deck chairs you surely will get food.

After nearly one and a half year negotiations with one of the leading companies in the Ships Supply Market, we were able to acquire a considerable part of their deliveries for the season 2010 in Europe.

Of course, there are big differences in a delivery just to a warehouse than to a ship – because you can be sure that the vessel will not wait.

... therefore please keep in mind, if your vessel is delayed during your holiday trip there must be a serious problem – as we - of course – will be there in time.

We are ready to bear this new challenge – and of course we will be successful because we are a real good team.



Time flies - STI Italia celebrates ten years in business

Another prove that time flies - Our subsidiary STI Italia S.r.l. celebrates its 10th anniversary this year.

After its foundation in 2000 STI Italia started its operational activities with two people on board. Now the team consists of nine employees as STI Italia has developed very positively and has expanded its business activities tremendously.



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STI France Branch office Moguerre - A One Year success

STI France Branch Moguerre located in the South West of France - Planned late 2008, created in May 2009 and this year celebrating its first anniversary.

After two weeks of intensive training in the main French branch in Lisses, Jean-Luc Daguerre (branch manager) took over responsibilities and finally started the operational activities on 05 November 2009. Shortly afterwards Rémi Dibon joined him as dispatch road agent.

Located in an European logistic business park near Bayonne at the Franco Spanish border, STI Moguerre is a strategic point between France, Spain and Portugal.

For one year now, Moguerre's team is actively working on the expansion of our domestic and international road transport business. Due to its geographical location STI Moguerre is mainly focussed on Spanish and Portuguese lanes but also offers efficient transport solutions for France and the rest of Europe.

Today, the team is managing a dedicated fleet of more than ten trucks successfully.

Strengthened by this positive development and gained experiences as well as increasing results in Moguerre, STI France can now plan and develop additional branches in France.



STI France, Branch Office Moguerre Team and below Lisses Team

