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SCANIA

Scania scales up NZ operations

Scania is making its largest ever investment in New Zealand following more than two decades of distribution by third party Cable Price.

Scania New Zealand, now a wholly-owned subsidiary business, kicked off on January 1, 2019.

It's now responsible for the importation, distribution and sales of new Scania heavy trucks and buses, as well as parts and business services.

It's being led by managing director **Mattias Lundholm**, who has more than 20 years' experience with the Swedish trucking heavyweight.

Scania's local headquarters are in Penrose, Auckland, and a satellite site in Wellington is now open

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CAL Isuzu takes over NZ Trucks

Hamilton-based CAL Isuzu is expanding its footprint with the recent acquisition of heavy vehicle servicing company New Zealand Trucks and its branches in Auckland and Hamilton.

New Zealand Trucks was based in Christchurch and was owned by former NZX-listed Hellaby Holdings Limited before it was sold in 2016, alongside AB Equipment, to private equity fund Maui Capital for $81 million.

The new deal will see CAL taking over the Hamilton site in Earthmover Cresent and the south Auckland, Wiri site in Edsel Way.

The acquisition will see over 35 staff join the CAL team and brings its numbers to around 200 people.

The two additional sites adds around 15,000 square metres and sees the company grow to two sites in Hamilton, three in Auckland plus sites in Tauranga and Whangarei.

CAL Isuzu owner and managing director **Ashok Parbhu** says he's very pleased with the deal which was carried out in just a couple of months.

The acquisitions are all about

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Scania scales up NZ operations

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for business. A satellite site in Christchurch will follow and performance teams and service divisions are also set to launch.

Arriving from a six-year stint as Scania global vice-president of connected services and solutions, Lundholm is now undertaking a recruitment blitz.

The local operation is set to have more than 50 staff, ensuring industry expertise and credentials marry up with the technology, safety features and fuel efficiency which Scania trucks are well-known for.

"I've been travelling the length of New Zealand since arriving with my family to better understand the unique requirements of fleet managers and owner/operators, both large and small, across industry," Lundholm says.

"It's an exciting time and I'm confident that Scania New Zealand staff will follow through on a simple proposition to current and potential customers: We'll be quicker to complete repairs and get the parts you need, and quicker getting you back on the road."

Among recent appointments are network director **Colin Bowden**, performance director **Rob Covich** and sales director **Deon Stephens**.

Scania New Zealand's head office is also brimming with a freshly hired team including a business controller, executive assistant, marketing and communications, plus people and culture.

***Follow Scania New Zealand on LinkedIn, Facebook and Instagram for all the latest updates and recruitment news.**



From left: Colin Bowden, Rob Covich, Mattias Lundholm and Deon Stephens.

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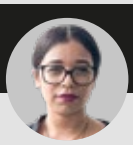
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Fuso NZ appoints national sales manager

Fuso NZ has appointed **Cameron Childs** to its newly created role of national sales manager.

Childs brings a wealth of industry experience and passion to the business and arrives at a time when next-generation technology in Canter, Shogun and the soon-to-arrive eCanter is rolling out the door.

He will be working at ground level with individual dealerships across the country to ensure a unified approach to customer service.

"Having the opportunity to work with a business that prioritises safety as one of the central features of its new product range has been a big draw for me," Childs says.

"Looking at the bigger picture, Fuso is a lot more than selling trucks – it's about providing expert consultancy and advice for every client that comes through the door.

"We want businesses to come back to us time and time again."

Childs has been involved in vehicle sales his full working life and the past 16 years have been dedicated entirely to the trucking industry.

"I love this industry and Fuso is a business that is really going places.

"Behind all the new products being rolled out this year is a committed team full of great people, all working towards the common goal of being the best in the market. That's an exciting culture to be a part of.

"I've already met with dealers to better understand how we can support and build on the successes they have already achieved.

"There's always room for improvement – we want to go from good to great and provide every dealer with the same opportunity for success, wherever they are in the country," Childs says.



Cameron Childs

Fuso NZ managing director **Kurtis Andrews** says the creation of the national sales manager role "demonstrates our commitment to customers that we really do look after our own".

"That means building a trusted relationship with operators, providing whole fleet solutions and remaining invested in the success of their businesses for the long term.

"Our network of dedicated, passionate dealers are our representatives on the ground and, by bringing Cameron on board, we are stepping up the level of support we are able to provide them with.

"We welcome Cameron to the Fuso family – his experience and insights will add immense value to our business and our customers," Andrews says.

CAL Isuzu takes over NZ Trucks

Continued from page 1

speeding up the delivery of trucks for customers, he says.

"We wanted a bigger footprint ... the key driver was to add more capacity and this has increased our capacity overnight.

"It's a turn-key operation, integrating into our business with two extra workshops."

The Hamilton site also includes its own testing station lane which will be a first for the company. This will be up and running following NZ Transport Agency certification.

The addition of a testing lane will greatly improve capacity and turnaround time for the business. At the moment, it's taking around three days to get trucks through but with the new testing lane it should be no longer than a day, Parbhu says.

> 'It's a turn-key operation, integrating into our business with two extra workshops.'

CAL is now strategically located with its three Auckland sites so it's much easier for customers getting through the "diabolical traffic" for parts and servicing, Parbhu says.

The CAL dealership was originally founded in 1987 as Commercial Autos Wreckers by **Raman Parbhu**. It has grown to become the leading sales team for Isuzu Trucks NZ, helping it deliver 19 consecutive years as the number one brand in the country.



Ashok Parbhu



Jobs on the line as log prices crash

Falling log prices are having a big impact on the local forestry, port and freight industries, and jobs are on the line.

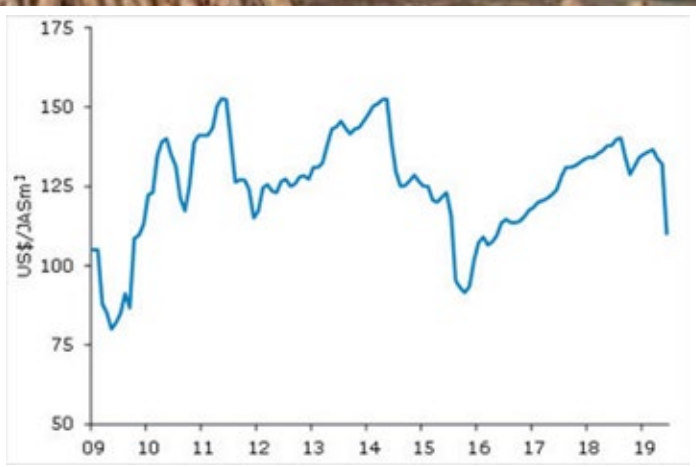
R & S Dreaver Contracting operator **Richard Dreaver** helped call a crisis meeting in New Plymouth last month for harvesters, logging truck companies and exporters in the region.

Around 20 people turned up to the meeting and Dreaver says the overall mood was positive with the industry determined to "batten the hatches" and weather the storm.

Prices for logs to China, New Zealand's largest export market, have dropped significantly in recent weeks, mainly due to oversupply.

The price of A-grade logs destined for China have fallen from US$130/JASm3 in early June to around US$105/JASm3.

Dreaver employs over 20 staff and says he is doing all he can to restructure work and keep everyone on. However, he's called off work for five staff members at this stage.



Pinus radiata log price (A grade in-market)

"My business is not solely logging, so I'm trying to change things around to keep everyone going.

"We're under a lot of pressure at the moment ... they're saying it's just a small glitch in the market, there's still positivity

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Jobs on the line as log prices crash

Continued from page 5



out there," Dreaver says.

Meanwhile, Forest Industry Contractors Association president **Ross Davis** told Radio NZ the price drop is affecting everyone in the industry and will have a big impact on small contractors and logging truck operators.

There are around 200 small contractors in the industry with teams of around four to six employees who will be affected, he says.

Dramatic price drop 'unexpected'

The softening prices are not unusual at this time of the year, however, "the scale of the correction was unexpected", ANZ agriculture economist **Susan Kilsby** says.

"The current price level is difficult to quantify as the market has been moving rapidly downwards, and in this environment buyers are unwilling to commit to pricing.

"While some exporters are optimistic that the bottom in the market may have already been reached, this seems unlikely given the quantity of logs sitting on wharves in China is expected to increase," Kilsby says.

"There are a number of ships currently on the water, destined for China carrying logs without letters of credit.

Sales are typically negotiated on a CRF [cost and freight] basis where the buyer is responsible for the freight costs.

"This means for a portion of the logs on the water the sales process has not been completed.

"A substantial improvement in prices is not likely to occur in the short-term and it may take six months for a marked lift in price, as existing stocks need to be worked through and buyer confidence needs to rebuild," Kilsby says.

Underlying demand still appears to be steady in China with logs moving from the wharves at normal rates.

New Zealand has steadily increased its share of the China log market in recent years to become the largest supplier of logs to China.

New Zealand held 27% of the market in 2018, while Russia decreased its market share to 16%.

Other major suppliers of logs to China include Australia and the Pacific North West (Canada and United States).

China's total log imports during the first quarter were on par with last year. But New Zealand exports this year to date have increased by 22%.

An extra 1.35 million cubic metres of logs were exported from New Zealand during the first five months of 2019, which is equivalent to about an extra month's worth of supply.

The strong supply of logs from New Zealand has been supplemented by additional supply from South America.

It is only feasible to ship logs from Uruguay to China when prices are strong. Once the current shipments are landed, this supply is expected to be shut off.

The volume of logs and lumber coming in from Russia, and lumber from Europe, are not expected to slow with China's belt and road initiative opening up important rail links between the regions.

Log exports up despite falling prices

New Zealand exported more logs and wood in June 2019, despite falling log prices overseas, according to Stats NZ.

In June 2019, the value of all goods exports rose $136 million (2.8%) from June 2018 to reach $5 billion.

Exports of logs and wood led the rise in exports, up $65m (16%) from June 2018 to $472m in June 2019. These commodities are the third-largest goods export group, behind milk powder, butter, and cheese ($1.1b) and meat and edible offal ($678m).

The rise in logs and wood was led by untreated logs, up $55m (20%) on a year earlier. The quantity rose 26% and unit values fell 4.6%.

New Zealand exports of untreated logs to China were worth about $3b in the past year, or 80% of the $3.8b in total untreated log exports.

Of New Zealand's main export markets, China had the largest increase in exports, up $297m (27%) from June 2018 to $1.4b in June 2019. The rise was led by beef, milk powder, and untreated logs.

"Strong growth in exports to China continues to offset a slowdown in the value of sales to other key markets such as Australia and the EU," international statistics manager **Geraldine Duoba** says.

"China is New Zealand's largest goods export market, making up 28% of all goods exports, and the fastest growing of our main export markets," Duoba says.



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CablePrice deal done

CablePrice NZ has signed a deal with Italian-based company MB Crusher as its exclusive local distributor.

The agreement was made at this year's Bauma International trade show in Germany and includes distribution for New Zealand and the Pacific Islands.

MB Crusher is recognised worldwide as an industry leader in developing and creating construction equipment mounted products for the crushing, demolition and recycling industries.

Its attachments can be applied directly on equipment such as excavators, loaders, skid loaders and backhoe loaders, taking advantage of the hydraulic system to which it is fitted.

Perfect for on-site crushing of inert materials and the first one of its kind to be introduced to the NZ market.

"We see this as a natural extension to the high-quality range of equipment that we have been known for delivering to our customers for over 65 years," CablePrice special products general manager **Jason Cann** says.

"We're excited to be moving forward with MB Crusher as this will give our customers local access and aftersales support to additional international product lines.



Jason Cann

"We are excited about this agreement with MB Crusher's. They have a great reputation and produce an excellent range of machine-mounted crushers and screeners that will complement our existing line-up of Montabert attachments and McCloskey crushers," Cann says.

CablePrice have added a range of the MB products to their line-up such as crusher buckets, screening buckets and shaft screeners.

The products have many areas of applications from building demolitions in general, to the processing of excavation materials from the construction sector to road works, from quarries to mines, from environmental reclamation to applications on rocky soil.



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Iveco NZ expands Diesel Technic range



Iveco NZ has expanded its range of aftermarket parts and accessories from Diesel Technic (DT), positioning its dealers as one-stop parts and service outlets for all European-made trucks.

Founded in Germany in 1972, DT is one of the world's largest suppliers of automotive parts and accessories. It has a presence in 150 countries around the world and its DT Spare Parts and Siegel Automotive brands are renowned for their quality and reliability.

The products are suitable for all brands of European trucks currently available in New Zealand.

Iveco NZ dealer principal **Jason Keddie** says the partnership is great news for the Iveco dealer network and for New Zealand transport businesses.

"It means that regardless of what brands and models they run in their fleets, their service and maintenance requirements can all be met by one reliable outfit.

"They can leave all their trucks in the safe hands of our professional, experienced technicians and know that they will receive the best parts and service available."

All DT aftermarket parts and accessories are available to Iveco NZ dealers by way of the newly released "DT Portal". A simple to use online system, the portal ensures that all DT parts are readily available to all dealers, when and where they need them.

DT parts are subject to the manufacturer's quality management and monitoring processes. They are documented in DT's integrated management system and are subject to its continuous improvement process.

The partnership allows truck owners to contribute to the future development and improvement of DT's product offerings. The company encourages regular, open feedback from distribution partners and their workshop customers from around the world.

"This all adds up to better service for our Iveco NZ customers. It means that, more than ever, we can deliver those we serve a comprehensive, hassle-free maintenance experience," Keddie says.

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Fuso eCanter makes NZ debut

Fuso NZ is announcing a new major model launch for 2019 with the all-electric eCanter truck.

The truck was recently on display at the EVworld NZ expo at ASB Showgrounds, Auckland from August 1-3. Exact dates for the launch to market are yet to be released.

It has been undergoing long-term evaluation in Japan, the US and Europe with large distribution operators such as UPS, DHL and Japanese logistics giant Yamato.

The knowledge gained from the testing phase will benefit Kiwi operators in terms of vehicle operation, capacity and range, along with support in fleet integration, servicing and management of recharge and delivery schedules.

As a zero-emission vehicle, eCanter engine and noise pollution is almost nil, making it perfectly suited to a variety of around-town applications, including FMCG delivery, furniture removal, refuse and recycling, light commercial work and chilled goods delivery.

The eCanter is also easy to customise to any job with its electric drivetrain fitted to Fuso's standard 3400mm Canter cab chassis.

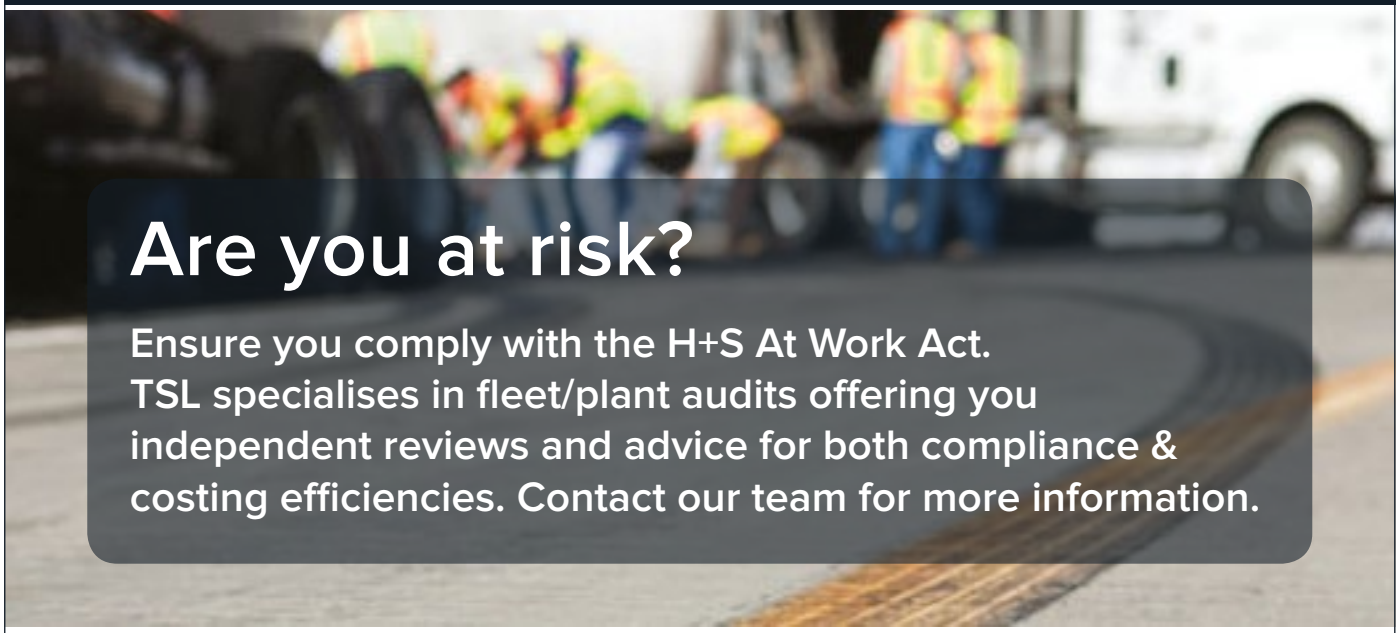


New Zealand is well placed for eCanter's arrival with around 80% of the country's electricity generated from renewable sources and, as of January 2019, there were 175 DC rapid charging stations nationwide. NZTA hopes to encourage installation of a rapid charger every 75km along NZ's main highways.

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Major training reforms to impact transport industry

The Government has confirmed it will be merging 16 polytechnics around the country into one national entity in one of the biggest training shake-ups in decades.

Thousands of trade apprentices, including those in the heavy diesel and automotive sector, will be impacted by the radical changes, and not everyone is on board with the plan.

The polytechnics will merge into a national entity called the New Zealand Institute of Skills and Technology to administer all students, apprentices and industry trainees.

Education minister **Chris Hipkins** says the institute would take over responsibility for workplace training and apprenticeships from industry training organisations over the next two or three years.

The Industry Training Organisations (ITOs) would be replaced by up to seven workforce development councils that would be set up by 2022 to influence vocational education and training.

Under this structure, the national institution would take over 145,000 apprentices and trainees and 25,000 employers, plus the existing 110,000 polytechnic enrolments.

It follows a period of crisis for the training sector where the Government has spent $100 million in extra funding for four struggling polytechnics over the past year.


Chris Hipkins

Hipkins says the previous model was "broken" and it was time to "reset the whole system and fundamentally rethink the way we view vocational education and training, and how it's delivered".

"Vocational education, trades training and on-the-job training have been allowed to drift for too long. These are long-term challenges that this government is committed to fixing.

"The comprehensive changes we are making will address the widespread skills shortages across most industry sectors. These shortages highlight the limitations of the current vocational educational system," Hipkins says.

"Repeated forecasts show that one third of all jobs in New Zealand are likely to be significantly affected by automation, and by as early as 2022 more than half of all employees will require significant upskilling and retraining.

"As lower-skilled jobs disappear we need our people to learn new skills, often while on the job, earning while they are learning. Furthermore, advances in automation and artificial intelligence mean it won't just be lower-skilled workers affected.

"We also know the regions are increasingly struggling to find enough skilled people to keep their economies strong. Too many Maori, Pacific and disabled learners are being left behind to achieve at a lower level because the system just won't respond to their needs.

"New Zealand needs to lift productivity and for that to happen we need more companies to be involved in training and taking on more apprentices.

"Currently however, nearly nine out of 10 of our businesses are not training through industry training. Yet at the same time, 71% of employers surveyed say there is, or will soon be, a skills shortage in their industry area," Hipkins says.

Changes 'have been rushed'

The Motor Industry Association says it's concerned that industry and employers will lose influence over vocational training because of the overhaul.

Chief executive **David Crawford** says that the Industry Training Organisation model has been working well for the automotive sector.

"MITO, the Motor Industry Training Organisation, has been very responsive to the industry's needs in the design of the range and contents of the courses in the automotive industry as well as in the way it has been able to liaise with the polytechs.


David Crawford

"We are concerned that replacing these specialist ITOs, such as MITO, with much larger and wide-ranging Workforce Development Councils will result in the sector losing an important level of influence over the way in which industry training outcomes are designed.

"The ITOs have been able to be nimble in responding to industry needs, such as adapting on the ground training to suit new developments and technology.

"The Government's changes could mean that some of the smaller and more specialists sectors would have difficulty in getting their voices heard against the needs of much bigger industry groups."

Crawford says he is disappointed that the Government did not listen to the industry when it called for a timely, not rushed, review of ITOs and their effectiveness.

"It appears these changes have been rushed and there is little evidence that the Government has listened to the concerns of this sector when pushing ahead with its reforms."

End of the road for MITO

MITO is one of the ITOs set to be replaced under the new industry training reforms by the Workforce Development Councils (WDCs).

The management of MITO's apprentices and learners, including their pastoral care, will transition to the newly formed New Zealand Institute of Skills and Technology, which combines the current 16 polytechnics, by December 31, 2022.

The transition arrangements are likely to be phased and it is yet unknown when MITO's transition will occur.

MITO chief executive **Janet Lane** says "while it is disappointing that the industry feedback from the proposal consultation hasn't been taken into consideration, we are pleased that the minister has listened to the call for a carefully managed transition plan

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Major training reforms to impact transport industry

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and put in place timeframes to help achieve this".

"We are committed to working with Government and industry to support our learners, employers and secondary schools through the transition to the new vocational education system."

"The minister has emphasised that it is business as usual and does not want to see a slowdown in enrolments, so we are continuing to promote our training programmes and career pathways to ensure our industries gain new talent and qualified people," Lane says.



Janet Lane

RTF keeps 'an open mind'

Road Transport Forum chief executive Nick Leggett says there have "been a lot of words in the polytechnic and industry training reform announcements ... but not a lot of detail".

"As an industry with worker shortages, we are all about industry training. It is hard to see these announcements enhancing the relationship between government, education providers and industry, but we are willing to keep an open mind and we hope to be consulted on how road freight transport can benefit from future vocational education changes.

"We would be keen to see where we fit in the Workforce Development Councils, but at the moment, we have more questions than answers," he says.

The RTF has made a submission on the proposed reforms and it hopes to be included in the conversations government will be having with stakeholders as it puts more detail into the reform.

"Our view was there was strength in the Industry Training Organisation (ITO) model because it was industry-led, industry-governed and therefore, responsive to the needs of industry. We are hopeful that this is not just the same system being re-established under different titles with a state-controlled management structure, as that would not work so well for our industry.



Nick Leggett

"In the meantime, we are focused on finding industry-led solutions and the Road Transport Forum has taken responsibility for future development of the Sector Workforce Engagement Programme (SWEP). This means we can focus on education and training in the areas most likely to be a source of future employees.

"RTF is also keen to see a formalised cadetship programme developed that has clear parameters and appropriate levels of recognition and opportunities for cadets," Leggett says.

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Toll starts work on NZ freight terminal

Toll Group has given the green light to a new freight terminal in Wellington.

Covering 8400 sqm with the overall site sitting on 1.8ha, the purpose-built space will be double the size of the current premises.

The new facility will encompass both a freight forwarding and rail terminal and will provide operational growth along with safety improvements.

"Safety, capacity and efficiency will be the immediate gains for our Wellington operation once we complete construction of the new freight terminal in Wellington," Wellington branch manager **Paul Tawharu** says.

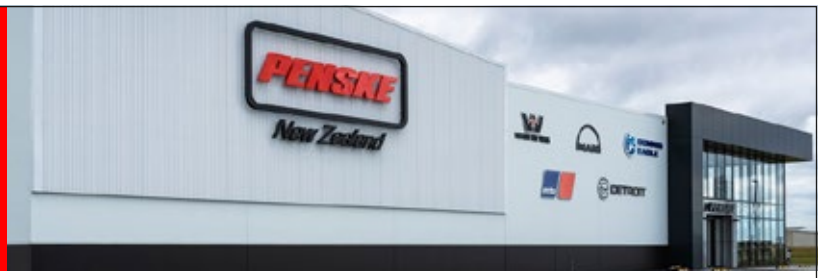
"The new building will be double the size of the existing building. Not only does this future proof for growth – it means we will be able to pursue new customers, as we can scale up considerably," he says.

Construction is now under way and the site is expected to be completed mid-2020.



PENSKE

Branch Manager : Christchurch



Penske New Zealand are the distributor of Western Star Trucks, MAN Trucks and Buses, Dennis Eagle Trucks along with MTU & Detroit Engines. With a network of Dealers, Penske provides fully authorised parts, service and warranty functions for all brands. We work within on-highway, defence, mining, marine, power generation, oil & gas and C&I markets. Representing these technologically advanced and well-respected brands throughout New Zealand.

An excellent opportunity exists for an experienced Branch Manager to join our Christchurch Team. The Christchurch Branch plays an integral role in the success of Penske New Zealand. This is a great opportunity for someone wanting to further their management career in a challenging and rewarding role. This position will report directly to the Director of Penske New Zealand.

Duties and Responsibilities will include:

Managing the branch to achieve and exceed agreed sales, profitability, expense, stock and debtor targets;

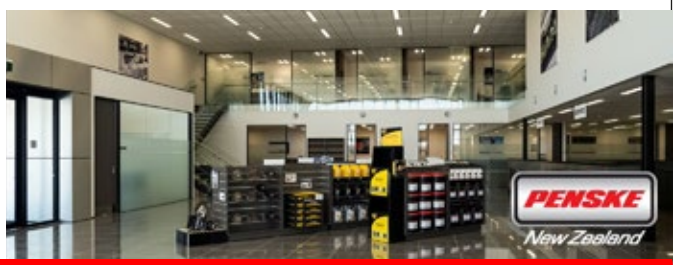
- Leading, coaching and motivating employees to achieve branch goals;
- Developing and maintaining key customer accounts with a focus on sales for On & Off-Highway markets;
- Developing and maintaining close customer relations;
- Ensuring that appropriate resources are available to meet the needs of the branch e.g. stock, trained employees, plant, machinery, equipment etc.;
- Promoting and ensuring compliance with all company policies;
- Role modelling the values and behaviours of our company;

The successful applicant will possess the following skills and attributes:

- Demonstrated ability to meet set targets;
- Excellent people management skills, with proven ability to lead and engage employees;
- Strong customer service focus and relationship building ability with customers;
- Well-developed experience in sales and operational management;
- A sound knowledge of Penske's products and services;
- Sales and business development experience.

Want to find out more?

Go to our website **https://penske.com.au/careers/** to find out more and to apply and you can even meet some of our current employees! Or alternatively contact **Kelly Graham on 09 250 7846** for a confidential chat.



Finance in a slowing market

The first six months of 2019 has seen a softening in both construction and agricultural equipment sales, and recent feedback suggest the truck market is also flattening.

However, despite the market tapering, dealer originated asset finance remains steady. Finance volumes for dealers are ahead of last year, suggesting dealers and customers are finding value in arranging point of sale finance.

Low interest offers, deferred payments and structured finance options are being used by many dealers and distributors to assist customers in completing their purchase.

Dealer support

The range of businesses seeking "point of sale" retail finance options and distributors looking for ways to better support growth in their networks is becoming increasingly diverse. The expectation in the market appears to also be that a range of payment and funding options are available for truck and construction equipment purchases.

UDC equipment dealer national sales manager **John Wragg** says there are important aspects to consider in a flat market.

"Based on the April Reserve Bank's Credit Conditions survey, credit availability is continuing to tighten across the market, particularly for small businesses and agri.

"Previously when credit availability was tight for dairy farmers, we saw more customers taking advantage of dealer finance offers, rather than applying for bank funding. This highlights the importance of having clear point of sale finance on offer when the market is slowing," Wragg says.

With customers continuing to become more time poor, their expectation that dealers can offer a "one-stop shop" for all their requirements continues to grow. With this in mind, UDC is continuing to focus on improving its digital platforms and tools to help provide great customer and dealer experience, as well as ensuring that the focus remains on good customer outcomes.

Legislative changes

There are a number of legislative changes on the horizon and while the focus of these is on consumer lending, the key message is on ensuring lenders focus on good customer outcomes.

For dealers who primarily focus on agri, construction equipment and truck sales to business customers, these initial impacts are limited.

Continued on page 20





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Big backing brings benefits

ORIX NZ is helping businesses hit the ground running with special excavation trucks, company fleets, trailers, forklifts and other heavy equipment.

It offers leasing and finance options for a large range of products and services which then sees a reduction in costs, risk and administration.

ORIX national commercial manager **Andrew Griffin** says the company is well positioned to offer great deals for its customers.

"Being one of the largest non-bank finance companies in the world, ORIX is able to offer competitive and flexible funding solutions.

"ORIX constantly strives to deliver customer excellence through on line portals, apps and communication with its clients. We ensure we are up to date with new technological advancements that the manufacturers bring to market, making our customers fully aware of the benefits," he says.

Financing and leasing can start with a customer choosing the manufacturer, the model and specs they are after and then ORIX can follow up on the purchase.

Business needs are met with a tailored operating or finance lease.

With an operating lease, it's "most straight forward and popular option", customers are renting the asset and making monthly payments. At the end of the agreement, equipment is handed back and all outstanding payments are consolidated.

Benefits of leasing include things such as fixed monthly costs, simple budgeting and reporting, no tied up capital in assets and reviews every six months.

With a finance lease, ORIX retains ownership of the asset until the final lease payment has been made. It can be tailored to suit finances, with variable monthly payments and final balloon settlements.



Andrew Griffin

With the finance lease option, businesses are responsible for disposing of the vehicle or asset. Options include extending the lease, disposing of or purchasing the asset, or starting a new lease contract. Customers also take the risk on the vehicle's future value, but make lower monthly payments in return.

Benefits of finance include fixed interest rates, negotiable contracts, choice of

Continued on page 20



Shifting markets in insurance and finance

Specialist transport and trucking insurance and finance brokerage O'Connor Warren is warning transport operators to be mindful of costs with the increasing challenges and pressures the industry faces.

O'Connor Warren director **Matt Coles** says "while the industry still continues to grow, it is critical that all operators are aware of their costs relative to their rates, particularly in the current highly competitive environment where compliance and increased insurance costs are impacting on this".

Insurance premiums have been on the rise over the past 24 months for heavy vehicle operators due to trucking consistently sitting as a loss leader for insurance companies.

While these increases seem to be levelling, New Zealand insurers are also decreasing their appetite for exposure in the transport sector, subsequently restricting competition in this space. This point has recently been reaffirmed by the withdrawal of Allianz Insurance from the New Zealand market.

The sector has been under-priced for many years when considering the overall cost of claims, however, this has been largely counterbalanced by other affluent sectors, such as property insurance. With significant events such as the 2016 Kaikoura earthquake as a key turning point, insurance companies have been forced to review the profitability within each sector.

Log prices incurred a significant drop in early July which has had income reducing repercussions on forestry industry operators. The changes have been primarily provoked by seasonal impacts and overseas trade demands.

Of late, New Zealand's logging industry has flourished with record exports, which has led to an influx of newly-established logging operators, increased spend on logging-related assets and associated financing in this environment.

'New Zealand insurers are also decreasing their appetite for exposure in the transport sector, subsequently restricting competition in this space.'

Log price changes are commonly acknowledged by seasoned industry operators, however, many new operators do not have the historical knowledge or experience to be prepared for such volatility, illustrating the urgency to encourage education.

The finance and banking sector is always watchful and cautious about forestry industry exposure, and in recent times there has been a prevalence of high prices for second hand units and a higher demand for new assets. Amidst high appeal for assets, consumers have been inclined to pay more to secure assets in hopes to boost productivity.

All this has contributed to some operators being overly ambitious when purchasing new trucks, trailers and associated logging gear based on high demand for logs, conclusively driving higher debt and sizable loan and insurance repayments. This can and has created stress on overall expenses when confronted with decreasing turnover levels in this area.

Further, the implications of the price dip should prompt operators to reassess their monthly expenses, of which a large component will be finance repayments and associated insurance premiums, which may not have scope to be adjusted.

The concerning implications are reduced appetite for forestry assets and with this, declining value in existing assets, introducing the risk of debt overruling value and elevated strain on the drivers who are under more pressure often resulting in frequent claims.

The challenging impact of this is that there are a large number of high value assets (in surplus of $500,000) on the road. In turn, the average cost of claims escalates, fundamentally affecting the overall market and transport operators. Again, these are factors that are regularly overlooked by operators when weighing up the risk of expanding their fleets.

"O'Connor Warren has never worked so hard as we do now in supporting our clients through these challenging market cycles to ensure they are financially supported with the best outcomes.

Whether it's a logger, refrigerator, linehaul or around town freight transporter, we know who's doing what and we're accessing the right decision makers," Coles says.



Matt Coles

"It is hopeful that the challenges will be overcome over the next six to nine months. Education needs to be palpable in the finance sector to encourage responsible lending and to motivate operators to recognise and consider the risks of doing business before financing large assets.

"These higher valued assets have a large impression on insurance premiums making it crucial to assess the overall expenditure and how their operation may be implicated by shifting markets and unpredictable circumstances," he says.

*Contact the team at O'Connor Warren for more information, freeSphone 0800 26 46 26.

transporttalk FEATURE

Active fleet risk management is key

When you're the owner of a transport company, there are many things to consider in running your business. One of the most important aspects is risk management.

With every business comes risk, and the responsibility of the owners and employees is to manage every risk so that the risk doesn't manage the company. This task can be overwhelming if not impossible to achieve for a majority of NZ transport fleets.

Huge overheads, decreasing margins, increasing and forever evolving safety legislation requirements causing massive headaches – and that is just the tip of the iceberg.

Commercial risk management is a process that involves identifying risk factors, setting up effective preventative measures, and turning them into solutions to help reduce any type of vulnerability.

This crucial section of a business plan lets a company prepare for problems that are most likely to happen so they can create processes to deal with specific crises, thus having solutions in place to reduce the chances of vehicle accidents, injury, stock theft, damage, or loss because of a breach of safety and general operational protocols.

Many commercial business experts, such as commercial insurance brokers, suggest having comprehensive risk management plans in place to help businesses lessen the gravity of daily risks, and to survive extensive crises that can arise.



Garry Bray

However, a suggestion is really just that – a suggestion.

NZ brokerage firm Risgon is offering a new model which takes a hands-on, highly proactive stance rather than a consultative or suggestive approach.

Risgon risk and insurance director **Garry Bray** says an actively managed approach can help save a company from any large losses.

"By creating a quadra-partied relationship between the transport firm as a client, the Risgon-recommended risk management product or service supply partner, the insurer and Risgon as the broker, all four parties can push transparently in the same direction to actively mitigate risk and implement risk management product, services and policies to ensure a result.

"The daily active management of such a process tightens up all the loose ends ... and as we all know, loose ends often lead to potentially company-destroying large losses," Bray says.

"Rather than talking, all parties are actively doing. It is the way of the future for all of the parties involved.

"If you run a transport fleet, make certain to choose a broker that has the capability to actively manage the risk mitigation process and bring the right people to the table to get the job done."

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Roadside assistance helping fleets

The Automobile Association's (AA) business membership service is helping companies get ahead when it comes to fleet servicing.

One of these companies is kitchen appliance firm Burns & Ferrall with a fleet of 30 vehicles.

Burns & Ferrall chief executive **Tony Broome** says one of the decisions made that has contributed to the company's growth and success was to sign up for AA Business Care Membership.

"Having AA Business Care helped us achieve new business growth opportunities through being able to introduce a 24/7 maintenance service to our customers throughout the country.

"With the peace of mind that no matter who was driving any of our 30 vehicles, I knew that if assistance was required the AA would come and take care of it."

Broome says the AA, being a highly recognised and reputable brand, made the decision easier.

"We knew they would deliver.

"It's great knowing that my sales reps and service teams are looked after, no matter where they had a problem with their vehicle.

"This enables us to continue focusing on operating and growing our business. Staff no longer have to worry about how they are going to get their vehicle fixed in the case of a flat battery, running out of fuel or something more serious."

The Business Care Member Benefits programme also provides individual employees access to services such as free health care checks, discounted entertainment tickets and AA SmartFuel, which everyone on the team appreciates.

"In summary, it really was a no-brainer. I've been really delighted how Business Care has enabled us to keep our business moving and also growing," Broome says.

The AA has a simple vision and is best known for one service - providing roadside assistance to stranded motorists, and it has been doing this since 1925.

AA Business Membership is a commercial business division of the association. Established in 2004 it provides dedicated 24/7 roadside assistance and tailored business services for vehicle manufacturers and related industries.

Business Care and Business Care Premium are two retail-based services that offers unlimited call-outs to roadside breakdown assistance for small businesses, service vehicles and tradespeople, no matter who is driving the vehicle.

Since its establishment in 1903, AA has grown from a pioneering automobile club to New Zealand's largest club with close to 1.7 million members. The AA is now the advocate for all New Zealand drivers and offers motoring advice, vehicle inspections, insurance, finance, maps and travel services.

*Call **0800 734 543** or visit **www.aa.co.nz/membership** for more information.

Finance in a slowing market

Continued from page 16

But if you are dealing with any consumer customers, such as people on lifestyle blocks or owner drivers, it's important to ensure you keep informed about these changes which may impact your business.

UDC will be watching the reform process closely and will look to communicate to its dealer network the practical impacts and implications of the proposed changes to legislation.

Committed spring deliveries

Looking through to the end of the year, UDC aligned agri dealers advise they have strong committed forward orders for spring delivery.

These are generally up over 2018 and demonstrates longer term confidence in the sector.

Big backing brings benefits

Continued from page 17

deposit size, tax deductible interest and depreciation and payments that can be designed around seasonal cashflow.

All these options also come with "extensive experience in leasing and financing trucks and trailers", Griffin says.

"We can also offer fleet management and telematics packages, backed up by a sophisticated maintenance team with industry expertise and know how. We will lease both new and used trucks and trailers of all makes, sizes and specification."

One example of how ORIX is helping customers is its recent partnership with Alliance Services, which has put a special excavation truck to work using vacuum technology.

The air vac is a specialist Scania truck built by excavation manufacturer RSP in Germany.

However, the Scania truck and Air Vac don't come cheap and ORIX NZ played a big role in helping finance the equipment for Alliance as it focuses on its rapidly growing business.

ORIX offered Alliance a range of solutions to accommodate the changing needs of its business and it continues to provide options that allow for continued growth and investment.

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New commercial registrations down, used up

New commercial registrations dropped for the second consecutive month in July, down by 160 units year-on-year.

Total registrations of new trucks and buses over 3500kg GVM sits at 527 units for the month. This is down 23.3% compared to the same period last year which saw 687 registrations of new commercials for the month.

A total of 3605 new trucks and buses have hit the road in the year-to-date compared to 3834 for the same period last year.

Isuzu is market leader for the month of July with 108 units registered and a 20.5% market share. The brand was up 24.1% year-on-year compared to the 87 registered in the same period last year.

Fuso is in second spot for the month, up 20.3% with 71 units registered and a 13.5% market share.

Mercedes-Benz comes in third, down 43.6% with 57 registered and a 10.8% market share.

Hino follows, down 10% with 54 units registered, **Iveco** up 7.1% (30), **Kenworth** down 37.8% (28), **DAF** down 20.6% (27), **Volvo** up 4.5% (20), **Scania** up 5% (21) and **UD Trucks** down 32.3% (21).

Isuzu New Zealand general manager **Dave Ballantyne** says the market for July "came in a bit stronger than what we were expecting".

"**Isuzu** sales were up on July last year, so I'm very happy with the result. Sales of medium duty trucks continue to be very strong for us and that segment of the market looks to have the most growth so far this year.

"The higher specification level of our VL08 N Series range is proving popular with both current and new customers in most light duty truck applications, and that's keeping the N Series right up there in the light duty segment," Ballantyne says.

Meanwhile, total used imported truck and bus registrations were up slightly year-on-year with 212 units registered in July compared to 193 in the same period last year.

Toyota lead the used commercial import market for the month with 50 units registered and a 23.6% market share. This was up 25% compared to the 40 in the same period last year.

Hino comes in second, up 75% with 42 units registered and a 19.8% market share.

Isuzu third, down 16% with 42 and a 19.8% share.

Mitsubishi follows, down 5.3% (18 units), **Nissan** up 6.3% (17), **Ford** up 20% (6), **DAF** up 33.3% (4), **Mazda** down 20% (4) and **Fuso** down 55.6% (4).

Continued on page 24



NEW HEAVY TRUCKS OVER 23,000KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
ISUZU	28	29	-3.4	14.1	200	237
KENWORTH	28	45	-37.8	14.1	172	187
DAF	23	32	-28.1	11.6	142	181
VOLVO	21	22	-4.5	10.6	193	174
SCANIA	19	17	11.8	9.5	98	103
HINO	14	22	-36.4	7.0	134	149
SINOTRUK	12	1	1100.0	6.0	56	12
MERCEDES-BENZ	10	6	66.7	5.0	88	46
MAN	9	10	-10.0	4.5	67	57
UD TRUCKS	9	18	-50.0	4.5	79	73
OTHER	26	35	-25.7	13.1	259	298
TOTAL	199	237	-16.0	100.0	1488	1517

NEW MEDIUM TRUCKS 9000-23,000KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
ISUZU	39	21	85.7	37.9	251	183
HINO	20	16	25.0	19.4	149	121
FUSO	13	5	160.0	12.6	108	105
UD TRUCKS	12	13	-7.7	11.7	72	75
MERCEDES-BENZ	6	2	200.0	5.8	16	16
OTHER	13	10	30.0	12.6	73	71
TOTAL	103	67	53.7	100.0	669	571

NEW LIGHT TRUCKS 3500-9000KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
FUSO	50	39	28.2	24.0	257	260
MERCEDES-BENZ	40	88	-54.5	19.2	135	197
ISUZU	36	37	-2.7	17.3	257	234
HINO	20	22	-9.1	9.6	144	138
FIAT	18	23	-21.7	8.7	147	202
IVECO	17	16	6.3	8.2	95	65
HYUNDAI	5	2	150.0	2.4	26	17
OTHER	22	23	-4.3	10.6	166	118
TOTAL	208	250	-16.8	100.0	1227	1231





Continued from page 23



The new heavy vehicle segment over 23,000kg **GVM** was down 16% year-on-year with a total of 199 units registered in July. This compares to 237 in the same period the previous year.

Isuzu and **Kenworth** lead the segment, both registering 28 units each and sharing 14.1% market share. **Isuzu** is down 3.4% year-on-year and **Kenworth** down 37.8%.

DAF comes in second, down 28.1% with 23 units and a 11.6% market share.

Volvo is third, down 4.5% with 21 and a 10.6% market share.

Scania follows, up 11.8% with 19 units, **Hino** down 36.4% (14), **Sinotruk** up 1100% (12), **Mercedes-Benz** up 66.7% (10), **MAN** down 10% (9) and **UD Trucks** down 50% (9).

Daimler Truck and Bus senior manager **Pieter Theron** says deliveries and pipelines are "still positive", however, there is a feeling of softening in the market.

Theron says the new **Mercedes-Benz** truck range is receiving positive customer feedback with repeat purchases are now coming through.

Orders have been steady across the range from spreaders, loggers, line-haul, waste trucks and distribution which is "encouraging", he says.

The new medium truck segment between 9000kg and 23,000kg GVM is up 53.7% year-on-year with a total of 103 registered units for July compared to 67 in the same period last year.

Isuzu takes top spot, up 85.7% with 39 units and a 37.9% market share.

Hino comes in second, up 25% with 20 and a 19.4% market share.

Fuso third, up 160% with 13 and a 12.6% share.

UD Trucks follows, down 7.7% with 12 units and **Mercedes-Benz** up 200% (6).

The new light commercial segment between 3500kg to 9000kg GVM featuring trucks, vans and buses is down 16.8% with 208 units

Continued on page 25

NEW BUSES OVER 3500KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
ISUZU	5	0	0.0	29.4	25	33
FORD	3	12	-75.0	17.6	48	50
FUSO	3	0	0.0	17.6	17	21
IVECO	2	0	0.0	11.8	11	6
MAN	2	10	-80.0	11.8	11	62
OTHER	2	109	-98.2	11.8	109	343
TOTAL	**17**	**131**	**-87.0**	**100.0**	**221**	**515**

NEW LIGHT COMMERCIAL MAKES UNDER 3500KG JULY 2019

MAKE	JULY '19	JULY '18	YTD '19	YTD '18	% Change	% of Market
FORD	760	799	6470	6563	-4.9	19.1
TOYOTA	753	868	5375	6106	-13.2	19.0
MITSUBISHI	451	363	3505	2633	24.2	11.4
HOLDEN	389	418	3088	2901	-6.9	9.8
NISSAN	266	239	2258	2321	11.3	6.7
MAZDA	233	186	1435	1218	25.3	5.9
ISUZU	231	294	1881	2193	-21.4	5.8
MERCEDES-BENZ	102	135	622	605	-24.4	2.6
VOLKSWAGEN	88	161	729	1167	-45.3	2.2
HYUNDAI	86	55	636	443	56.4	2.2
Other	613	765	4634	5178	-19.9	15.4
TOTAL	**3972**	**4283**	**30633**	**31328**	**-7.3**	**100.0**

NEW TRUCKS & BUSES MAKES ALL WEIGHTS OVER 3500KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
ISUZU	108	87	24.1	20.5	733	687
FUSO	71	59	20.3	13.5	503	512
MERCEDES-BENZ	57	101	-43.6	10.8	252	269
HINO	54	60	-10.0	10.2	427	408
IVECO	30	28	7.1	5.7	165	154
KENWORTH	28	45	-37.8	5.3	172	187
DAF	27	34	-20.6	5.1	153	186
VOLVO	23	22	4.5	4.4	203	181
SCANIA	21	20	5.0	4.0	114	145
UD TRUCKS	21	31	-32.3	4.0	153	149
Other	87	200	-56.5	16.5	730.0	956
TOTAL	**527**	**687**	**-23.3**	**100.0**	**3605**	**3834**



If you're looking to purchase a new truck or equipment talk to UDC

UDC
New Zealand's Finance Company



Continued from page 24

registered in July compared to 250 in the same period the previous year.

Fuso leads the segment, up 28.2% with 50 units registered and a 24% market share.

Mercedes-Benz is second, down 54.5% with 40 units and a 19.2% market share.

Isuzu is third, down 2.7% with 36 and a 17.3% share.

Hino follows, down 9.1% (20), **Fiat** down 21.7% (18), **Iveco** up 6.3% (17) and **Hyundai** up 150% (5).

Registrations for new commercials (under 3500kg) was down 7.3% with 3972 units registered for the month. This compares to 4283 in the same period last year.

Ford takes the top spot, down 4.9% with 760 units and a 19.1% market share.

Toyota is second, down 13.2% with 753 and a 19% market share.

Mitsubishi third, up 24.2% with 451 and an 11.4% share.

Holden follows, down 6.9% with 389 units, **Nissan** up 11.3% (266), **Mazda** up 25.3% (233) **Isuzu** down 21.4% (231), **Mercedes-Benz** down 24.4% (102), **Volkswagen** down 45.3% (88) and **Hyundai** up 56.4% (86).

The number of all new vehicle sales were 3.5% lower than July last year at 11,897 units. Overall year-to-date sales were down by 5.2% on the first seven months of 2018.

"The trend for 2019 is a bumpy ride but overall downwards compared to 2018," Motor Industry Association chief executive **David Crawford** says.

Registration of 7925 passenger and SUVs for July 2019 were down 1.4% (116 units) on 2018 volumes.

The top two models for the month of July were utes, with the **Ford Ranger** continuing its hold on the top spot (657 units), followed by the **Toyota Hilux** (534) and the **Toyota Corolla** in third place (500).

Toyota remains the overall market leader with 18% market share (2185 units), followed by **Ford** with 9% (1040) with **Mitsubishi** regaining third spot with 8% market share (950)

Used heavy truck segment over 23,000kg was up 70% with 17 registrations in July.

Caterpillar leads this segment with three units registered; **Kenworth** follows

Continued on page 26



USED HEAVY TRUCKS OVER 23,001KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
CATERPILLAR	3	1	200.0	17.6	5	2
KENWORTH	3	1	200.0	17.6	16	13
HINO	2	3	-33.3	11.8	14	8
OTHER	9	5	80.0	52.9	65	61
TOTAL	17	10	70.0	100.0	100	84

USED MEDIUM TRUCKS 9001-23,000KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
HINO	4	2	100.0	22.2	23	36
ISUZU	3	4	-25.0	16.7	23	32
NISSAN	3	0	0.0	16.7	6	6
OTHER	8	3	166.7	44.4	33	41
TOTAL	18	9	100.0	100.0	85	115

USED LIGHT TRUCKS 3500-9000KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
TOYOTA	50	40	25.0	29.6	277	251
ISUZU	36	44	-18.2	21.3	242	299
HINO	35	18	94.4	20.7	224	187
MITSUBISHI	16	19	-15.8	9.5	121	119
NISSAN	14	15	-6.7	8.3	111	94
MAZDA	4	5	-20.0	2.4	31	33
MITSUBISHI FUSO	4	7	-42.9	2.4	25	25
OTHER	10	18	-44.4	5.9	56	88
TOTAL	169	166	1.8	100.0	1087	1096

USED BUSES OVER 3500KG JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD' 19	YTD '18
FORD	4	4	0.0	50.0	22	8
ISUZU	2	0	0.0	25.0	3	1
OTHER	2	4	-50.0	25.0	18	35
TOTAL	8	8	0.0	100.0	43	44

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(3) and **Hino** (2).

Used medium trucks between 9000kg and 23,000kg were up 100% for the month with 18 units registered.

Hino lead with four units, Isuzu (3), and **Nissan** (3) followed by eight other registrations.

Used light trucks between 3500kg to 9000kg GVM were up 1.8% year-on-year with 169 units registered.

Toyota leads this segment, up 25% with 50 units and a 29.6% market share.

Isuzu is second, down 18.2% with 36 and a 21.3% market share.

Hino third, up 94.4% with 35 and a 20.7% share.

Mitsubishi follows, down 15.8% (16), **Nissan** down 6.7% (14), **Mazda** down 20% (4) and **Mitsubishi Fuso** down 42.9% (4).

The new tractor market was down 29.1% with 183 units registered in July compared to 258 in the same period the previous year.

John Deere took top spot for the month, down 43.1% with 58 units and a 31.7% market share.

Massey Ferguson is second, down 7.4% with 25 and a 13.7% market share.

Kubota is third, down 10.5% with 17 and a 9.3% share.

New Holland follows, down 44.4% (15), **Deutz-Fahr** up 27.3% (14), **Case IH** down 36.8% (12), **Tractor** up 100% (10), **Fendt** unchanged (8) and **Claas** down 33.3% (6).



USED TRUCK AND BUS MAKES ALL WEIGHTS OVER 3500KG JULY 2019

MAKE	JULY '19	JULY '18	% CHANGE	MARKET	YTD '19	YTD '18
TOYOTA	50	40	25.0	23.6	281	257
HINO	42	24	75.0	19.8	263	238
ISUZU	42	50	-16.0	19.8	272	340
MITSUBISHI	18	19	-5.3	8.5	135	132
NISSAN	17	16	6.3	8.0	122	106
FORD	6	5	20.0	2.8	30	18
DAF	4	3	33.3	1.9	14	18
MAZDA	4	5	-20.0	1.9	31	33
FUSO	4	9	-55.6	1.9	25	28
CATERPILLAR	3	1	200.0	1.4	5	2
Other	22	21	4.8	10.4	137	167
TOTAL	**212**	**193**	**9.8**	**100.0**	**1315**	**1339**

NEW LIGHT COMMERCIAL MAKES UNDER 3500KG JULY 2019

MAKE	JULY '19	JULY '18	YTD '19	YTD '18	% Change	Market Share
TOYOTA	460	477	3014	3060	-3.6	47.7
NISSAN	224	240	1501	1480	-6.7	23.2
ISUZU	49	58	305	396	-15.5	5.1
HINO	42	24	263	238	75.0	4.4
FORD	39	39	283	289	0.0	4.0
MITSUBISHI	28	34	205	246	-17.6	2.9
MAZDA	26	65	283	424	-60.0	2.7
HOLDEN	14	19	106	130	-26.3	1.5
CHEVROLET	11	15	99	125	-26.7	1.1
DODGE	7	7	32	42	0.0	0.7
Other	64	104	465	532	-38.5	6.6
Total	**964**	**1082**	**6556**	**6962**	**-10.9**	**100.0**

USED TRACTOR REGISTRATIONS JULY 2019

MAKE	JULY '19	JULY '18	% Change	% of Market	YTD '19	YTD '18
JOHN DEERE	10	8	25.0	21.3	15	63
NEW HOLLAND	7	2	250.0	14.9	12	24
MASSEY FERGUSON	4	9	-55.6	8.5	25	53
INTERNATIONAL	3	0	0.0	6.4	9	8
MCCORMICK	3	0	0.0	6.4	4	0
CASE	2	2	0.0	4.3	10	24
OTHER	18	16	12.5	38.3	127	156
TOTAL	**47**	**37**	**27.0**	**100.0**	**202**	**328**

NEW TRACTOR REGISTRATIONS JULY 2019

MAKE	JULY 19	JULY '18	% Change	% of Market	YTD '19	YTD '18
JOHN DEERE	11	18	-38.9	23.9	15	81
TRACTOR	6	1	500.0	13.0	15	24
MASSEY FERGUSON	4	7	-42.9	8.7	29	60
NEW HOLLAND	4	4	0.0	8.7	16	28
FORD	3	2	50.0	6.5	14	24
SHIBAURA	3	0	0.0	6.5	4	0
OTHER	15	18	-16.7	32.6	144	161
TOTAL	46	50	-8.0	100.0	237	378
CLAAS	6	9	-33.3	3.3	36	64
OTHER	18	31	-41.9	9.8	108	136
TOTAL	**183**	**258**	**-29.1**	**100.0**	**1055**	**1169**

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Colorado Z71 adds heat to competition

Holden's Colorado Z71 4x4 Crew Cab is making a stand for the brand with good looks, power and performance.

The Colorado is climbing its way into New Zealand's popular ute market, taking third spot last month, behind the dominate Ranger and Hilux, with 677 registrations and a 13% market share.

Auto Media test drove the top of the line Z71 automatic model priced at $66,990. Its "orange crush" colour and black hood decals is a real standout and adds to the sporty lifestyle appearance along with dark 18-inch alloy wheels.

It looks like a bit of a beast and is powered by a 2.8 litre, four-cylinder Duramax 2 diesel engine. The ute puts out 147kW of power and 500Nm of torque with 3.5-tonne towing power.

The six-speed automatic transmission with active select and shift on the fly 4x4 provides for smooth sailing and a claimed fuel economy of 8.7l/100km for urban driving. Driving is comfortable and car-like with good acceleration and control.

The Z71 features Sat Nav on the eight-inch colour touch-screen along with digital radio, Apple CarPlay and Android Auto.

A five-star ANCAP safety rating comes across the entire range which even includes a driver's knee airbag.

Front airbags, side impact airbags for driver and front passenger and full-length side curtain airbags are also included.

Advanced safety features include a forward collision alert with heads-up warning. This uses a digital camera mounted on the windscreen with image processing to observe and warn you of vehicles slowing down ahead.

Although adding an extra degree of security, we found the warning system slightly distracting. There's also lane departure warning, electronic stability control and trailer sway control for towing.



The rear-view camera and rear park assist make comfortable manoeuvring into and out of tight spots.

Other comforts include heated front leather seats, and if you want to try something a little different, the remote keyfob start enables you to warm things up before jumping inside on those cold winter mornings.

The tray length is 1790mm and 1534mm in width (1122mm between the wheel arches). So, there is room to accommodate tools for the tradies or those who like to get out and about.

The ute comes with Holden NZ's complimentary inspection after one month. The first service is due at 15,000km or 12 months (whichever occurs first) and then every 15,000km or 12 months (whichever occurs first) since the last service.

Holden NZ will be pinning high hopes on the success of the Colorado, and the Z71 certainly goes toe-to-toe with what the market leading Ranger has to offer.

Apart from some small differences in looks and specs, it's hard to pick a winner from the two and sales figures is all that's left to do the talking. Perhaps those subtle differences are all it takes, but one thing's for certain: The ute market sure has some strong competition on its hands.



Ranger adds zest with XLT Sport



The 2019 Ford Ranger boasts more technology than ever before, and when it comes to safety it's front of the pack.

All Rangers come standard with autonomous emergency braking, lane-keep assist, speed sign recognition and auto high beam. It also comes with six airbags on the front and side (driver and passenger) and full curtain airbags.

The model was the first ute to achieve a five-star ANCAP safety rating, and in 2018 Ford added more powertrain choices to the range.

TransportTalk got to test drive the double cab wellside XLT 3.2-litre diesel 4X4 model with a $ 65,490 price tag.

The Sport in both 4WD or 2WD starts with a regular XLT, and adds 18-inch wheels with black rims and a leather interior.

Featuring 147kW of power and 470Nm of torque, the five-cylinder diesel engine delivers plenty of power for a smooth and comfortable drive. It has a combined fuel economy of 8.7l/100km.

On the road, driver comfort is added by low noise levels and an overall feeling of control behind the wheel guided with the six-speed automatic.

The sport model is refined with its smart looking 18-inch alloys and black leather accented seat trim - same as the new Wildtrak model.

The interior and dash is simple and stylish. Nothing too fancy and everything you need.

This includes an eight-inch colour touch screen, Apple CarPlay and Android Auto, Bluetooth with phone and audio streaming, satellite navigation and two USB ports.

Semi-auto active park assist, keyless entry with push button start, speed sign recognition and tyre pressure monitoring system all add up, and offer a great deal of convenience and effortless driver experience.

The Ranger provides 3.5 tonne braked towing capacity (750kg unbraked) and 6000kg gross combined mass in conjunction with trailer sway control.

Its tray length is 1549mm and maximum width of 1560mm (1139mm between the wheel arches) and tailgate opening width of 1330mm.

Ford NZ light commercial marketing manager **Jeremy Nash** says the 2019 Ford Ranger builds upon its now "legendary success".

"At the foremost, ute customers are all looking for the best value for money with genuine, real-world capability.

"The 2019 Ranger will continue to offer segment-leading capability and performance with improvements across the line-up to deliver the value Kiwis prioritise without compromise," Nash says.

After driving the new Ranger model, it's easy to see why this is not only leading the New Zealand ute market, but the vehicle market as a whole. It's tough competition to beat.





Van, Damn - A 4Motion on ice experience



In order to get a clearer understanding of their 4Motion technology, Volkswagen took us on an ice driving experience that would raise the eyebrows of even the toughest of Europeans.

With a reported 38% of New Zealand's roads being unsealed, 4Motion has proven to be a popular option with VW drivers; 49% of passengers vehicles are sold with this system and a whopping 66% of commercials, and why now (aside from the Polo and Caddy) all models have 4Motion available.

Although the 4Motion itself actually only appeared by name in 1999, Volkswagen has been involved with AWD systems as far back as the 1970s with projects in areas such as Antarctica.

Over the subsequent decades, the systems have evolved from viscous coupling (transference of torque and rotation by the medium of a viscous fluid), through to Syncro/Torsen (torque-sensing) and five generations of Haldex-style (intelligent AWD).

According to the brochure, VW's 4Motion ensures that the vehicle does not slip or lose control at any point, it constantly monitors driving conditions and reacts to the slightest wheel slip, delivering extra traction to the wheels with the most grip - we'll be the best judge of that.

With the sun still yet to rise, we boarded a modified MAN truck in Wanaka and headed up to the Southern Hemisphere Proving Grounds to "get a grip" of VW's 4Motion system through a series of exercises devised to have us lose as much traction as possible.

Upon arrival at the top of the mountain, we were greeted by a large display of VW's current range of vehicles, both passenger and commercial. From the performance-driven Golf R, to the luxurious Touareg, a powerful Amarok V6 580 and even a Crafter, all very different in so many ways but all sporting snow tyres and a VW 4Motion system.

The exercises were broken down into three stages. An all-wheel-drive slalom, a pendulum "circle" drift and a high-speed mixture of both. With time and the rising sun against us, we immediately switched off the vehicle's ESP systems and cracked on.

Apparently, the secret to AWD drifting is weight distribution and timing.

When accelerating the 4Motion system is continually seeking to put traction to whichever wheel(s) it can and specifically in the direction the wheels are pointing, however, remove drive to the wheels and the laws of physics take over.

The theory is, accelerate, then turn but at the same let off the gas and the "pendulaum" effect will result in an oversteer drift, simple. You'd think that on a surface as slippery as ice or snow getting out of shape would be even easier, well yes and no.

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Van, Damn - A 4Motion on ice experience

Continued from page 29

Too much steering input can cause understeer, too late or too early on the accelerator sends you in multiple directions or a full spin, same goes with counter-steering and aggressive (or too soft) pedal work. A one-off is OK but then try to attempt a slalom drift!

Of course, with their smaller wheelbases and lower centre's of gravity, the passenger vehicles were arguably easier to handle (I personally still struggled) but the commercials are a mission unto themselves.

Firstly the Amarok. The key to this truck's stability is a torque sensing (Torsen) differential, it gives permanent drive to all four wheels with a 60/40 rear to front bias. Torsen is a mechanical self-locking centre differential which regulates power between the front and rear axles, using torque sensing.

It responds to varying rotational forces between the front and rear axle, sending torque between them as needed. On a Torsen differential, the two output gears are connected by worm gears, they limit high differential rotation speeds and balance the speeds when cornering.

Even with its powerful and torquey engine, getting the acceleration pedal right in the Amarok is difficult.

Its lighter rear and heavier nose made it harder to "pendulum", with more speed and aggression being the only option, however, it's still a mission to get this truck to drift turn. The chassis feels stoic and the suspension is soft, when it does begin to drift, patience is needed before re-applying acceleration to get around the next turn.

Then there's the Crafter. The four-wheel-drive Crafter gets a Haldex-style coupling. An electronically controlled permanent 4x4 system, that can distribute as much as 60% of the power to the rear wheels. The Haldex clutch automatically gathers information on the driver's actions, engine performance, transmission and brakes, so it can control the transfer of torque pre-emptively.



Driving a hefty 3T+ GVM delivery van on snow and ice would on the outset seem perilous. Having a high centre of gravity, a long wheelbase and being light on the frame, should offer the driver no end of problems, but in actual fact, it's much the contrary. It's smart and intuitive and harder to "drift" than the Amarok.

Steering inputs are less than subtle as is the acceleration, but the system is quick to correct any loss of traction resulting in it tending to drive the slalom rather than slide. Upon reflection, this actually made sense, a very responsive 4Motion system that's better for carrying large loads, offering better traction and movement when under load stress.

Being able to push commercial vehicles to lose all kinds of traction on the snow is quite the experience, especially as Volkswagen's 4Motion system was there to fight us every step of the way.

For me, the bigger the vehicle, the harder it was to unsettle which in many ways was even more reassuring.

VW commercial vehicles are carrying goods and conducting services on our roads each and every day and in all kinds of conditions, it's great to know 4Motion is behind at least two-thirds of them.

"Being able to spend time on the ice in Queenstown is always a pleasure but being able to put a full range of 4Motion cars, utes and vans through their paces was an incredible experience," Volkswagen Commercial Vehicles NZ general manager **Keven Richards** says.

"Even being as close to the brand as I am, this was a real eye-opener in terms of seeing first-hand what a fantastically diverse product portfolio we have and our ability to offer a four wheel-drive vehicle for every occa-



World's largest EV carrying the load

A Komatsu e-Dumper from Kuhn Schweiz AG, reported to be the world's largest operating EV, has been proving its worth during the past year.

The e-Dumper weighs 111 tonnes (fully laden) and transports 60 tonnes of lime and marl (clay and lime rock or soil) from a mountain extraction area in Switzerland to a transport system below, recovering energy through regenerative braking on the downhill run.

The truck saves about 50,000 tonnes of diesel and 130 tonnes of carbon dioxide annually.

It has a 4.5-tonne 600kWh battery provided by Lithium Storage GmbH, used to power the uphill (unladen) run, and the surplus is fed into the electricity grid.

The e-Dumper's tyres are more than 1.8 metres high and it is able handle inclines of 13%. Drivers have to climb nine stairs to the cab.

Kuhn Schweiz AG has a history of building electric goods vehicles and says it is defining a new goal; the development, construction and marketing of electrified 100-tonne-plus construction machines.



Road investment advice ignored by Government

Relatively new and inexperienced governments rely pretty heavily on advice from both the public and private sectors as to the impact of policy on various parts of the economy.

However, this Government takes quite a different approach and appears to only seek advice that it knows ministers want to hear.

The first indication of this was the shock announcement last year that we would be doing away with all new oil and gas exploration. That decision was made on almost no advice from either the oil and gas industry, or from government officials.

Knowing that any useful advice on the subject would illustrate serious flaws in the policy, the Government just refused to be drawn into any kind of debate about it. The decision was made simply because it fitted in with their agenda.

Last year, the prime minister, under pressure due to low business confidence, announced the formation of a Business Advisory Council to provide her with free and frank advice on key economic issues and help develop the Government's economic policies.

This was greeted with some enthusiasm by business leaders who hoped the council, which includes **Miles Hurrell** from Fonterra, **Joc O'Donnell** from HW Richardson Group, and chaired by outgoing Air New Zealand CEO **Christopher Luxon**, was a genuine attempt by the Government to start listening to them.

Less than a year into the council's existence, the Government has already politically neutered it by dismissing its key recommendation to alleviate New Zealand's "infrastructure deficit" through a comprehensive transport investment programme including new four-lane motorways.

"As such the 12 roading projects presently on hold or under review should proceed and be opened to private investment," the council stated in a letter.

"These projects are investment ready, provide the beginnings of a pipeline of investable opportunities and would be an effective use of the roading capability developed in New Zealand over the last 20 years."

The advice was totally rejected by transport minister **Phil Twyford** who claimed, "the idea that private investors are like a source of free money is ludicrous", and "borrowing money to build infrastructure is not a problem, getting the money to pay off the debt is the challenge". The Government was looking at a more "balanced" approach to transport modes, he suggested.

"If we were to do what the Business Advisory Council was saying, it would mean spending a great deal of money, more than $12 billion, on projects that have very low economic value," Twyford told media.

Needless to say, it is frustrating to hear this coming from a minister that is presiding over some dubious public investment in transport. It is also extremely discouraging for those of us who understand that New Zealand needs better and safer highways to link our communities and help drive our economy forward.

Another issue very much on RTF's radar is the Government's plan to improve compliance with the National Animal Identification and Tracing (NAIT) scheme.

RTF has voiced concerns about the role agriculture minister Damien O'Connor envisions transporters will play in it, including making it an offence to transport an untagged animal that does not have an exemption and having some high-cost penalties attached to that.

NAIT is a primary tool to counteract biosecurity incursions like mycoplasma bovis, and RTF fully supports the necessity of it and the wider biosecurity imperatives. Currently, cattle and deer are included in the scheme that records location and movement of individual animal.

We believe responsibility for animals lies with the people who are selling and buying them, or the people at the animals' end destination. The transporters are the meat in the sandwich on this one, and we don't believe they should be burdened with checking that animals are tagged.

NAIT is a tool to primarily protect farming, yet farmers have consistently failed to use it and the regulator has failed in its enforcement.

The Government is suggesting that transport operators protect themselves by demanding written assurance from farmers that all stock are tagged before loading. RTF and the National Livestock Transport & Safety Group (NLTSG) are extremely sceptical as to the practicality of this suggestion.

The NLTSG through its chair **Don Wilson** is keen to hear the views of the industry on these proposals, in order to adopt a unified position that can be presented to Government. Don and RTF's **Mark Ngatuere** are therefore, holding a number of meetings around the country in early August to gauge the views of the sector. The meetings were:

- Tuesday, August 6, 8am – Distinction Hotel, Whangarei.
- Tuesday, August 6, 6pm – Suncourt Hotel, Taupo.
- Wednesday, August 7, 8am – Sandford Livestock, Skeet Road, Hawera.
- Wednesday, August 7, 1pm –Total Stock Crates, 30a Turners Rd, Feilding.
- Thursday, August 8, 8am –Chateau Marlborough, Blenheim.
- Thursday, August 8, 6pm – Ashburton Hotel, Ashburton.
- Friday, August 9, 10am – Croydon Hotel, Gore.

I encourage all transporters with an interest in NAIT to attend one of these meetings or contact ***Don Wilson (027 497 5825)*** **or** ***Mark Ngatuere (04 471 8285)*** to provide your feedback.

Nick Leggett is the Road Transport Forum chief executive. He has had a distinguished career in local government, serving two terms as mayor of Porirua City from 2010, and was the youngest mayor in New Zealand. He was first elected to council in 1998 aged only 19.



Road to Zero - a good start

It's good to see the action proposed to reduce the number of road deaths and serious injury, in the Government's recent Road to Zero plan. It's also good to see the recognition of the role workplace accidents play in road trauma.

If road trauma was a sickness, it would be treated as an epidemic and drastic action taken to curtail it. That at least is the theme of an upcoming talk by **Professor Alastair Woodward** (Auckland University) and **Dr Michael Hale** (Auckland Public Health).

We seem as a nation to be blind to the trauma road transport causes, or accept it as a "fact of life". In essence, we tolerate killing nearly 400 people a year in the interests of personal freedom and economic efficiency. Is it not now time to be even tougher than the Government's plan on road safety?

In about 20% of the fatal crashes, there are drugs detected in the driver. Sometimes these are prescription drugs, but usually they are so-called recreational drugs like marijuana and methamphetamine.

We have relatively effective controls in place about alcohol, but drug screening at the roadside is harder and time-consuming. Nevertheless, if we want to reduce road trauma, surely that is an avenue worth investing a lot in. Especially with a possible outcome of the referendum next year being wider availability of cannabis.

It's long overdue to recognise the role of work in road trauma. This is not just an issue for professional driving, such as trucks and buses, but also the myriad of light work vehicles used by tradesmen and others, and including work-related travel for other occupations.

By looking through coroners' reports, **Rebecca Lilley** of Otago University was able to work out that annually an average of 116 road deaths a year are workplace deaths.

That figure well surpasses the usual examples of high-accident industries such as agriculture and forestry, yet there are no statistics about it (at least until Lilley's estimate). It has been essentially ignored in the work safety context. The rest of the economy is subject to the Health and Safety at Work Act 2015, so why not transport?

The HSWA makes it clear that a vehicle is a workplace if being used in the course of work. But road transport authorities tend to focus on the road rules when it comes to crashes. This is an important distinction, because those rules focus on drivers, and the HSWA focuses on the employer. And the HSWA has much tougher standards.

With the plan moving away from a focus on driver error, and towards making the environment safer and more tolerant of mistakes, it is essential that the role of the employer in training, fatigue management, work pressures and other factors is taken into account and steps taken to monitor and control the work related risks. After all, that is what happens in every other industry in the country.

Third parties like freight customers can impose targets and conditions on truck drivers that lead to unsafe driving practices, like speeding to meet deadlines, overloading, and ignoring driving hour rules. So, the intention to look at "chain of responsibility" rules again should also be welcomed. These put liability for the consequences on those who are ultimately responsible for the work pressures, not just the driver or transport company.

We have such rules in New Zealand, but they are hard to enforce, as they involve numerous elements that have to be proven. A senior policeman once said to me that it was easier to get a conviction for murder than for a chain of responsibility offence.

What we need to do here is follow Australia's lead.

Their Heavy Vehicle National Law has an explicit set of chain of responsibility rules and offences. In that law if you are an operator, scheduler, loader, consignor, consignee, employer, contractor, (and others), and can exercise control or influence over a transport task, then you have duties to manage risk under the HVNL, based on health and safety duties.

Where Road to Zero doesn't go is proposing any liability on road owners for their role in making unsafe roads, or in failing to do anything about them. Of course, there is a lot about making roads safer, by improving their design and making roadsides less dangerous. And there is much about speed limit reduction.

Having safe roads might save two-thirds of road deaths. But the road owners are simply exhorted to give this work priority and are (hopefully) funded to do it. They have no legal obligation to run safe roads (apart from a weak one for local roads). If they had, then they would be on a par with railways as an infrastructure provider, and would take the actions that ensured compliance. A good start would be to include roads explicitly as a place of work in the HSWA.

A zero road death goal is an ambitious one, but a necessary one. It is hardly ethical to continue to support the nation's economy, and its personal freedoms, by tolerating such a high level of road trauma.

Murray King is a chartered fellow at the Chartered Institute of Logistics and Transport, a past president of CILTNZ and a member of its national council for many years. He is a transport consultant in the daytime. murray.king@xtra.co.nz



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Why Hydrogen?

In recent months I have been asked several times about the place of hydrogen as a transport fuel. My response has been an enthusiastic "you betcha!" There are many reasons why I see hydrogen as a must and the important role it will play as a transport fuel in coming years. More on that later.

However, what I was not expecting when providing my views was the strength of opposition to hydrogen-powered vehicles. Some of this opposition came, in my view, from surprising places.

Readers of this column will know that I am a member of the Government's Electric Vehicle Programme Leadership Group. The subject has come up several times in recent meetings and some of the members almost go apoplectic at why anyone would want to talk about hydrogen as a transport fuel source, especially for light vehicles.

In the last month I attended a presentation by a visiting consultant who was hosted by Z Energy and Deloitte, who I hasten to add don't necessarily support the views of the presenter. What was puzzling was that while the presenter gave a very good explanation of the need to decarbonise transport, when speaking about hydrogen he was downright dismissive.

His views on the rate of electrification of the fleet match more closely what we in industry believe, which is not as bullish as many governments here and abroad believe and certainly not as bullish as the figures in the ICCC report to our Government.

He had me nodding my head in agreement with him until he clarified his view on hydrogen. His view was the inefficiencies in converting electricity to hydrogen to run a fuel cell where electricity is generated to drive the electric motors is not great.

Yes, it is an inefficient process. No one is saying it is not, you simply cannot ignore thermodynamics.

However, the point of hydrogen as a transport fuel is not about inefficiencies, it is about lowering or eliminating CO2 emissions from the transport task. This point seems to be lost on some of my colleagues on the EV Leadership Group too.

Currently the long run marginal cost of wind generation is about $90 to $105 per MWh - this compares to the average retail price of electricity at $170 MWh. As we move to generating more renewable electricity the cost of new wind generation is getting cheaper. Some expect this cost to reduce to about $70 to $80 per MWh within the next few years and possible to about $50 per MWH by 2030.



David Crawford, CEO of the Motor Industry Association.

All this is to say generating electricity from wind is getting cheaper. Solar power is also getting cheaper by the year and more efficient. You do not need bright sunlight for it to work either, just daylight.

As the country heads to a greater proportion of its generation from renewable sources, more wind power generating capacity will need to be installed. The thing is, with our combination of wind, hydro and geothermal (the latter which is not carbon neutral), wind generation gets turned on and off, which makes the current economics of wind less exciting.

Now imagine a world where wind generation stays on all the time (that there is wind blowing) and when it is not needed for general electricity generation it instead makes hydrogen. It is entirely plausible. In this example, from a transport perspective we don't care about efficiency, just that hydrogen is made from renewable sources.

Hydrogen absolutely makes sense for heavy vehicles. The weight of the fuel cell is miniscule compared to the weight of a large battery pack for heavy vehicles and the range from a fuel cell is impressive. It even makes sense for light vehicles once the cost of the hydrogen fuel becomes more economical and it will.

And this is where I differ from the naysayers. I find it interesting that the EV evangelical brigade are gloating when noting that only a decade ago saying full electric vehicles will dominate our vehicle mix would generate guffaws of disbelief? A decade on who is laughing now?

They have a gall to laugh at those of us who have open minds and are technology agnostic. The truth is, we will need all types of carbon-free transport options, including hydrogen, to reach our 2050 goals legislated by Government.

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Time for the truth about Auckland's congestion problems

The AA released its 2018 Auckland Congestion Report last month, and at first glance, the findings seem to make good reading.

The report, which is based on Google travel time data, shows that congestion largely held steady in 2018, thanks in large part to the de-congestion benefits of the Waterview Tunnel.

That's a great result, bearing in mind the congestion tsunami that struck Auckland between 2013 and 2017.

But the real story isn't what's happening now, it's what's going to happen in the next five to 10 years. And, depressingly, all the figures point to things getting a lot worse.

Auckland's growth will continue to surge, with the population expected to increase by 300,000 and the car fleet by up to 250,000 over the next decade.

To make matters worse, much of the growth is going to happen in suburbs a long way from the centre of town, where there are limited work and study options and limited public transport coverage.

What it all adds up to is more driving – much more. And that means much more congestion too.

The total distance travelled by vehicles is forecast to jump by up to 20% by 2028, with cars accounting for the vast majority of it. Billions of dollars are earmarked for public transport, and that will see it carry more of the load, but is still only expected to account for 7% of all trips in 2028.

The Ministry of Transport says that, as a result of its 10-year investment programme, congestion in 2028 will be held at 2016 levels.

That would be a fantastic outcome, given the growth pressure Auckland is under.

But how realistic is it?

Unfortunately, the ministry's prediction relies on the whole programme being completely finished by 2028.

And right now that just looks impossible. There are still massive question marks around planning and funding, including of key projects like rapid transit and the East West Link.

Even if these questions were to be resolved soon, big projects can't realistically be built in eight or nine years.

Hence, the AA does not see how the ministry's prediction can be achieved.

So, what we need to understand now is: If congestion is going to get worse, how much worse? And what's going to be done about it?

Alongside the existing programme, and its strong public transport focus, the AA is calling on the next mayor of Auckland and the Government to urgently do five things:

1. Include congestion targets in Auckland Transport's KPIs.
2. Get moving with the public discussion around congestion charging.
3. Bring forward road projects in greenfield growth areas, and look at widening specific sections of the motorway core.
4. Invest in smart traffic lights, dynamic lanes (including on motorways) and peak-period clearways to de-congest existing roads.
5. Change zoning rules to allow greater density in high-growth outer suburbs, and to minimise the need for driving for a greater number of Aucklanders by enabling development around bus and train stations and localised work and study options.

These actions are all the more important, given the question marks around planning and funding.

Meanwhile, alongside the report, the AA released the findings of a May 2019 survey of Auckland AA members, which highlighted the position of congestion as the number one transport concern.

When asked how much priority the incoming Mayor of Auckland should place on addressing traffic congestion, 60% of the 2500 respondents said 10 out of 10, while another 25% said eight to nine out of 10. Issues like road safety and providing transport alternatives ranked well behind.

Congestion is an inevitable part of living in a growing, prosperous city, but that doesn't mean we should just accept it.

It means transport decision-makers need to be more realistic about what can be achieved and held to account for what's actually delivered when it comes to de-congestion.

It means they need to be continually pushed to take a balanced, non-doctrinaire approach to investment in transport infrastructure, to ensure Auckland is doing as much as it can with the resources available to keep congestion's impacts to a minimum.

With local government elections just around the corner, and the national election looming, now is the time for our leaders to show they care about this as much as Aucklanders do.

Barney Irvine is a government relations and communcations specialist with a strong strategic and international background. He joined the New Zealand Automobile Association as principal adviser - infrastructure in late 2013, and leads the organisation's advocacy programme in relation to transport infrastructure issues.



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Fastway Couriers to rebrand

Fastway Couriers is changing its name to its international parent company Aramex.

The change is focused on creating a global delivery network and increasing services into New Zealand for global e-commerce retailers.

Established in Hawke's Bay in 1983 by **Bill McGowan**, Fastway Couriers New Zealand has 18 regional franchisees with over 250 courier franchisees from the far north to Bluff in the South Island.

Aramex, a Dubai-based logistics group bought Fastway Couriers New Zealand in January 2016 for $125 million. Aramex is considered one of the top five logistics providers in the world with a presence in 72 countries, transporting nearly 70 million parcels globally each year.

Fastway Couriers NZ chief executive **Scott Jenyns** says the time is right to adopt the Aramex name with the significant rise in the parcel movements across the globe due to the explosion in e-commerce retail shopping and new technology advanced products.

"We are retaining our unique franchise business model but are gaining a global mindset with access to new innovations, new technologies and new shipping destinations.

"This is a major step forward for our local franchise operators but also for many New Zealand businesses that either export products to the world or import to New Zealand.

"The parcel and delivery industry has changed dramatically over the past 35 years, which started as a business-to-business offering, but today over 80% of parcel movements are smaller than three kilograms and delivered to residential properties due to online retail."



Jenyns says the name change will also better align New Zealand with the Aramex international business strategy and extends the New Zealand service offering to the movement of envelope-sized parcels to large shipping containers.

"We will now be able to position our New Zealand business as a full service logistics company which is of significant benefit to local exporters and importers, as well as international businesses sending products here.

Aramex regional chief executive **Andy van der Velde** says New Zealand is one of the most rapidly growing e-commerce markets in the region and the rebranding will serve more businesses and consumers online and through a strengthened distribution network.

"We can now tell a simple story to our international customers that Aramex is in New Zealand and can deliver to and from the country and this will have significant benefits for our NZ business partners," van der Velde says.

Jenyns says the brand roll out will take around three months to complete and includes rebranding all of its nationwide offices and depots.

This includes over 300 courier vehicles and new uniforms for over 500 people employed and engaged with the company in New Zealand.

Its transport company (Transport Linehaul Ltd) will be completed in 2020.

"It's a big exercise which has been keenly welcomed by our business franchisees and our business partners.

"The change is about improving how we move parcels. We can leverage off Aramex's global footprint in New Zealand and introduce new products and services to build a bigger, stronger business in New Zealand and grow our franchisees in the process.

"We'll still be local franchisees, in local regions, and this is very important to us as franchising remains in our DNA. The key point of difference is that now we'll be able to offer greater global reach and opportunities to our customers and our people through career advancement opportunities.

"We have received increasingly positive feedback and there is a general feeling of excitement about what opportunities this could present for each of the regions in the near future," Jenyns says.

TRANSPORT TALK DIARY



TransportTalk New Zealand editor Nigel Moffiet looks at the month gone by on **www.transporttalk.co.nz**

July 2

Daily Freight prosecuted for runaway wagons

Daily Freight Limited has been sentenced and fined $234,000 in the Auckland District Court for an incident where two rail wagons uncoupled on a busy track in January 2017.

Rail regulator, NZ Transport Agency, says the incident endangered the Auckland metro rail system with the wagons rolling more than 400 metres before derailing.

July 3

Larger log trains to CentrePort

Moving another 100,000 tonnes of logs by rail from the Wairarapa to Wellington's CentrePort will result in 6000 fewer truck trips annually, forestry and associate transport minister **Shane Jones** says.

Jones, along with representatives from KiwiRail, CentrePort, the forestry sector, and councils were in Masterton on Tuesday to mark the start of larger log trains from the Waingawa rail hub which will be able to carry 40% more logs to Wellington's port.

July 4

TR Group enters Aussie market

TR Group is making its entry into the Australian market with the acquisition of Melbourne-based trailer rental company Semi-Skel Hire.

It comes after many years of investigating the Australian market and fits with TR's ambitions to provide world-class service in renting and leasing trucks and trailers.

July 8

Ford and VW to partner on trucks

Back in January, Ford and Volkswagen announced they would collaborate on developing electric pickup trucks, delivery vans and medium duty trucks.

A Ford spokeswoman says this is still in discussion, and Ford will share updates as details become more firm. However, Ford and Volkswagen have reached an agreement that will allow Ford to share VW's new MEB electric car platform.

July 9

Biosecurity NZ releases provisional stink bug rules

Biosecurity New Zealand has released provisional new rules to keep brown marmorated stink bug out of the country.

The new regulations will apply to the 2019 stink bug season, starting from September 1 to April 30, 2020.

The list of countries that have requirements to treat imported vehicles, machinery and parts before they arrive in New Zealand will rise from 17 to 33.

ANZ Truckometer down in June

The ANZ Truckometer indexes fell in the month of June but both light and heavy traffic was up over the quarter period.

Heavy traffic was down 4.5% month-on-month and light traffic fell 1.9% month-on-month.

"Looking through the monthly noise it appears annual growth in light traffic flows may be finding a floor, consistent with our expectation that economic growth is due to bottom out shortly," ANZ senior economist **Miles Workman** says.

New app for young Kiwi learner drivers

Drive Go's official learn-to-drive app will help beginners learn to drive safely and pass the restricted licence test first time.

The app is designed to be used by learner drivers and their driving coaches inside and outside the car to help new drivers learn the safe driving skills they need for the restricted test.

Govt's 'clean car' scheme to hike ute costs

A government proposal to make electric, hybrid and fuel efficient vehicles more affordable will see the price of utes go up.

Associate transport minister Julie Anne Genter has announced a "feebate" policy which will target vehicles with the highest carbon emissions.

The Toyota LandCruiser will be $3000 more expensive, the Mitsubishi Triton will jump by $2500, the Ford Ranger will be $2750 more, and the Toyota Hilux will increase by $2000.

July 11

JOST NZ ready for business

German truck and trailer equipment manufacturer JOST has opened a brand new warehouse and office facility in Auckland.

Located off the Auckland Motorway on Highbrook Drive, the business is situated in the growing business and commercial hub.

Freight start-up Parcelport appoints leader

Auckland-based freight management company Parcelport has appointed **Jeff Vollebregt** as its chief executive.

Parcelport is a cloud-based start-up founded in 2012 to streamline courier and freight delivery systems.

July 12

EROAD delivers solid start to financial year

Transport technology services company EROAD is reporting a good start to the new financial year with 24% annualised growth in total contracted units.

The company has released its quarterly update for the three months to June 30 and says an "encouraging pipeline" has delivered decent growth and achievements.

This also includes 12% growth in North America and 4% growth across Australia and New Zealand.

July 15

Infrastructure NZ appoints new chief

Infrastructure New Zealand is appointing former BNZ general manager **Paul Blair** as chief executive.

Blair takes over from Stephen Selwood who's moving on after 14 years with the organisation.

The changeover will follow the Building Nations Symposium to be held in Rotorua on August 21 to 23.

Price slashed on electric LDV van

The price on the LDV EV80 electric van has been dropped to $49,990, plus GST and on road costs.

That's about $20,000 off the $69,990 price.

Great Lake Motor Distributors NZ general manager **Andrew Bayliss** says the price cut has been adopted with the support of LDV manufacturer SAIC Motor.

July 17

Lyttelton Port needs higher cranes for straddle carriers

Port of Lyttelton's container cranes are undergoing work so the port's new straddle carriers are able to fit under them.

Crane lifting is common, and port strategic engagement manager Phil de Joux says this was taken into account when the new straddles were purchased.

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Continued from page 37

July 18

Napier Port share offer looks to raise $234m

Napier Port is seeking to raise between $204.3 million to $234m in its initial public offer (IPO) for a 45% stake in the company.

It has also set an indicative price range of $2.27 to $2.60 per share for the offer with first opportunity open for Hawke's Bay residents, ratepayers, port employees and certain iwi entities on July 23.

InterCity renames to Entrada Travel

Transport and tourism company InterCity Group is renaming to Entrada Travel Group as it plans for expansion in New Zealand and Australia.

The New Zealand-owned group has evolved significantly from its origins in passenger transport, with the InterCity brand established in 1987.

July 22

Fiat Ducato set to offer first EV

Fiat Professional has announced it will be taking pre-orders for its first fully electric model later this year.

The new Ducato Electric will launch in 2020 with a pilot scheme to major clients.

South Port targets improved result

South Port's updated profit forecast is looking "better than expected" on the back of strong late season cargo flows.

The Bluff port operator forecasts a net profit after tax for the year ending June 30, 2019, similar to the previous year of $9.66 million.

This is above what the company was advising shareholders at the time of its interim report in February, saying that it expected its earnings to fall within the range of $8.6m to $8.9m.

July 23

Colorado ROX claims CRC Speedshow honours

Holden's new super-truck concept, the Colorado ROX, was awarded the Best Outdoor Site trophy at the annual CRC Speedshow in Auckland over the weekend.

"We were thrilled with the crowd's response to the Colorado ROX and winning the award was the cherry on top of a very successful weekend," Holden NZ national marketing manager Marc Warr says.

Toyota Hilux achieves five-star safety rating

The Toyota Hilux has received a five-star ANCAP rating, after introducing key safety upgrades to its Hilux ute.

The model was awarded five stars when first rated by ANCAP in 2015, and a fresh round of independent tests for the Hilux has resulted in an upgraded five-star 2019 rating.

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FUTURETRUCKING DIARY

Futuretrucking Australia editor Scott Murray looks at the month gone by on **www.futuretruckingtalk.com.au**



July 4

ABB charging up Singapore e-buses

ABB has won contracts to provide electric bus charging infrastructure to charge 40 single-deck electric buses due on Singapore roads in early 2020.

The orders were received from BYD Singapore and ST Engineering Land Systems, two of the three companies awarded e-bus contracts by the Singapore Land Transport Authority.

July 8

Ford and VW to partner on trucks

Back in January, Ford and Volkswagen announced they would collaborate on developing electric pick-up trucks, delivery vans and medium duty trucks.

A Ford spokeswoman says this is still in discussion, and Ford will share updates as details become firmer. However, Ford and Volkswagen have reached an agreement that will allow Ford to share VW's new MEB electric car platform.

July 12

Daimler Trucks test vehicle simulators

Daimler Trucks development engineers are teaming up with truck drivers to put mobile vehicle simulators to the test.

Truck drivers are helping test the prototypes which are based on existing systems in the new Mercedes-Benz Actros. Feedback will go into further development work at Daimler Trucks.

July 17

World's largest EV proves worth

A Komatsu e-Dumper from Kuhn Schweiz AG, reported to be the world's largest operating EV, has been proving its worth during the past year.

The e-Dumper weighs 111 tonnes (fully laden) and transports 60 tonnes of lime and marl (clay and lime rock or soil) from a mountain extraction area in Switzerland.

July 18

Labor EV backing a tailwind for transport

The federal Labor opposition's support for electric vehicle policy is being described as a potential win for the transport and supply chain industry.

Australian Logistics Council chief executive Kirk Coningham says today's policy announcement from Labor offers signals the party would make the potential of electric vehicles more realistic provided governments collaborate with industry.

July 19

Biodiesel plant to entice Euro 6

The Barnawartha biodiesel plant in north east Victoria has the potential to drive Euro 6 engine sales, slash carbon emissions and improve fuel security.

The plant's capable of producing up to 50 million litres of renewable biodiesel made from animal and vegetable waste oil.

July 22

Fiat Ducato set to offer first EV

Fiat Professional has announced it will be taking pre-orders for its first fully electric model later this year.

The new Ducato Electric will launch in 2020 with a pilot scheme to major clients

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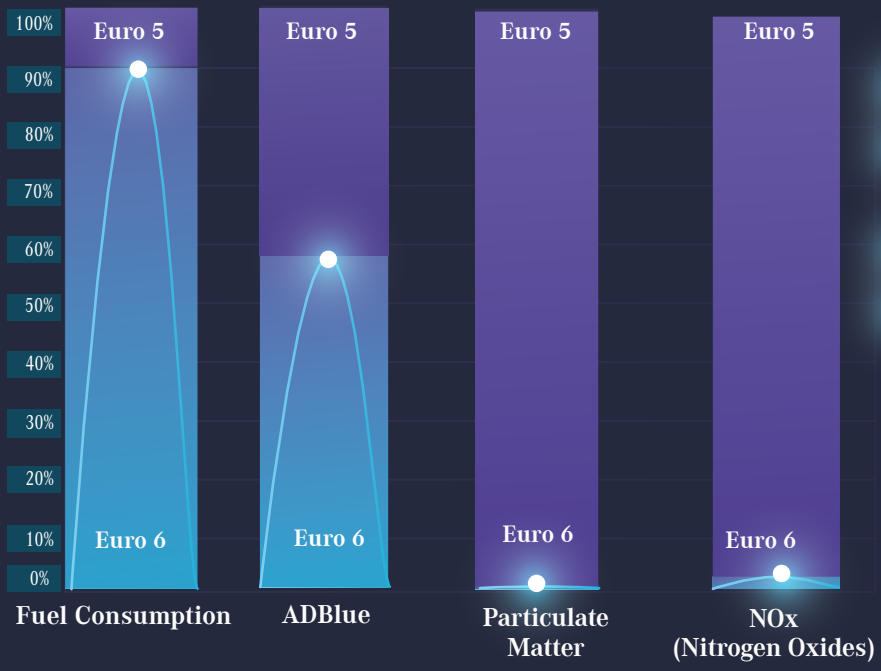
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