Many of the UK’s large temperature-controlled operators recorded strong growth in turnover in 2011 and are upbeat about prospects for this year, despite the gloomy economic backdrop. Revenues for the sector’s top 25 players have risen by slightly over 10% year on year, but although this is well ahead of inflation, a good part of that turnover increase has come from ambient rather than chilled or frozen business.

As we report in this issue, Culina Logistics, ranked second in both the British and Irish third party logistics providers in the sector, has started a new day ambient delivery service to Tesco’s national distribution centre network. The infrastructure and processes in place to support next day deliveries from Monday to Saturday mean the option to expand to full seven day service is available if required by Tesco and its suppliers.

The operation will also provide Culina Logistics’ customers whose stock is not held at Wolverhampton with cross docking facilities into the client’s own warehouse and logistics solutions to minimise the distance the product needs to travel. Tesco is convinced that this is the future of ambient delivery and are looking to take the service forward. Culina Logistics have already started to sign up new customers that do not require frozen storage and could even be used to store non-food items such as home-ware and electronics.

Harry Yearsley, managing director, Yearsley Group, says: “We store and distribute a lot of frozen stock on behalf of local manufacturers and importers using the Humber ports, and we realised many of them also have a requirement for dried storage. Rather than split their deliveries - taking on additional contracts, management time and road miles - we took a decision to invest in our facilities in order to offer that additional service to our customers. “Bringing the same level of service, quality of customer relations and stock in-class warehouse management system that we offer for cold storage to the ambient market will also open up new opportunities for us and the area, enabling us to extend our service provision to a whole new range of customers.”

Chilled operator Fowler Welch has expanded its ambient operations by buying a 46,000m² distribution centre in Heywood, Greater Manchester. This increased ambient capacity from around 17,000 to 56,000 pallets. Fowler Welch has also added ambient delivery volumes with Asda and Morrisons over last year.

Providing an all-encompassing service, with ambient and temperature-controlled logistics, is likely to remain a driver for the sector going forward. One of the main findings of the listing was that, overall, turnover of the Top 25 increased by around 10% from 2009 to 2010. Many of these top temperature-controlled logistics companies focused their attention on boosting efficiency to control carbon output and, in so doing, spend money on acquisitions and new vehicles and depots.

David Frankish, NFT Distribution chief executive, says “Investment across the business has provided a real catalyst for growth in 2010/11 and we are one of our biggest years.” He says that NFT will continue with its investment programme in 2012 in a bid to achieve growth targets and “keep us at the cutting edge of our industry”.

Meanwhile, Yearsley Group broadened its food sales product range and opened up new market opportunities for sales and logistics divisions with the acquisition of seafood specialist Ice Pak in January last year. “The purchase and previous acquisitions – Innovate and Celsius – require a programme of integration which, as it comes to an end, will allow us to further improve efficiency through increased consolidation and a reduction in delivery miles,” says managing director Harry Yearsley.

Fowler Welch Coolchain’s chill business continued to perform well, “growing organically and also through acquisitions”, says Fowler Welch managing director Nick Hay.

“The outlook for 2012 looks positive: our ongoing investment in people, systems and infrastructure will facilitate our clients’ growth and provide ongoing efficiencies geared towards our lowest cost operating units,” says David Frankish, NFT Distribution chief executive. Langdon Industries’ managing director Arran Osman says that over the last two years, Langdon’s has made steady progress, with growth of turnover and net profit.

“A significant contribution to that growth has been a larger market share and we have also been fortunate to experience growing sales with several existing customers whose own markets are expanding. During 2011 we completed a £5m investment into our new Midlands regional depot situated in Redditch that replaced the former rented depot in the same area. We are confident that this new development alone will make a growing contribution towards what we expect to be another good year in 2012.”

Keith Boardall, managing director of Reed Boardall, says that the company is putting significant effort into reducing journeys where no load is carried and no revenue is earned, by for example, targeting business that will integrate with existing routes.

However, despite these challenges, our business remained constant,” says managing director Ray Cole. Matthews International Transport says that its ability to adapt in change in difficult trading conditions allowed it to successfully navigate through 2010/2011. “During the year we continued to invest in our fleet of vehicles and refrigerated trailers,” says Russell Matthews, managing director. Chilled Cold Storage Group managing director Paul Jackson believes that success and continued growth is “the direct result of demonstrating that you can consistently achieve high performance standards whilst retaining flexibility in operation.”

H R Logistcs says that 2010/11 has seen continued growth through transport provision to food manufacturers such as Kerry Foods. “We are looking forward to 2012 being equally successful”, says managing director Brian Hilton.
21 SDM European Transport www.sdmeurope.com
SDM European Transport provides UK and European transport solutions for temperature-controlled and boxed goods, import/export goods, high-risk valued goods, pharmaceutical European transport and dedicated transport and logistics. The company provides refrigerated transport, frozen transport and cold storage for food.

22 IDS Transport www.idstransport.co.uk
IDS Transport provides fresh produce storage and distribution to all wholesale markets and food manufacturers. Customers: Everfresh Vale Growers, Oxford Fruit Co, Ron Badge, Valefresco, Produce Partners, Norman Collett, Minor, Weir & Willis, S S Coles, Southern Fruit Brokers, Walsh Mushrooms, Weltpak UK

23 Refrigerated Delivery Services www.rdstransport.co.uk
Delivery services to the food industry.

24 Clone International www.cloneinternational.com
Clone International provides international movement of fresh food, frozen food, confectionery, and pharmaceutical products especially to and from Switzerland and the Benelux countries.