



Statewide Independent Wholesalers Limited

ABN 51 009 519 546

13th December 2019

TasRDC (Ambient Out of Stocks)

Good Afternoon,

As per the attached Customer Update, Toll Shipping has experienced significant delays in shipping ambient and Liquor lines into Tasmania. To date, SIW have maintained our usual high service levels to our Retail Partners, however our stock levels have now dropped to a level where a number of key vendors are at risk.

We are working closely with Toll and Primary Connect to ensure delivery of stock into the TasRDC returns to acceptable levels and we believe there should be improvement by late next week. Until then we will continue to prioritise Inward Bound freight into SIW according to the needs of our Retail Partners.

SIW Delivery schedules into stores are not impacted by this issue.

If you have any questions, please contact our SIW Replenishment Manager, Bianca Phipps on 0418 602 177 or myself on 0438 159 641.

David Lanham

GENERAL MANAGER

"Delivering the Goods"

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Toll Holdings Limited
ABN 25 006 592 089

12 December, 2019

Dear Customer,

Since writing to you almost two weeks ago, we have been working to manage peak volumes of cargo while clearing a backlog at Webb Dock terminal in Port Melbourne. This backlog was the result of several unplanned disruptions to service.

While we made good progress to clear congestion at the terminal up until last Friday, we have not cleared the terminal from the Saturday and Sunday arrivals. Simply, there is too much cargo here. Lastly, we had a hot day in Melbourne on Monday and that reduces our ability to clear the terminal further.

As a result, the congestion at the Webb Dock terminal remains and is causing impacts at both terminals and throughout the network. Please note, we have not turned over flow causing the issues. This is adding to the following problems:

1. Cargo ending up in block stacks.
2. Cargo sitting on roll trailers; preventing the loading of the ship with southbound cargo to its potential.
3. Locating and retrieving cargo from stacks is very time consuming and slowing turnaround times at the terminal further.

Our teams are working with customers to best manage the flow of cargo, however, I understand that there have been frustrating delays.

We are continuing to make changes to alleviate the congestion. Our teams are working on the following solutions:

- Increased manning on twilight shifts.
- Increased fleet re-deployed to deliver higher rates of cargo despite the turnaround times.
- Introduction of an over flow yard to shuttle the overdue cargo.
- Increased manning for deliveries on weekends, including Sundays.
- Charges to organisations that do not pick up cargo the day it arrives. Cargo that is not picked when it arrives has significant flow on effects and our ability to service other customers.

Thank you to all customers that have worked with us to assist in prioritising the flow of cargo and to clear the terminal as much as possible during this time.

Working with you

To get the best result in the current situation, we encourage you to stay in touch with your Toll contact if there are any concerns around the status of your shipment so that we can follow up and escalate.

Picking up cargo on the day of arrival is key to managing cargo flow and easing congestion at the terminals.

For Customers and Carriers that deliver to the terminal please:

- Take advantage of twilight and Sunday delivery windows at the terminal – the flexibility in Receiving and Delivery times is essential for resolving this congestion.
- Observe entry times for Super B Doubles access to the terminal.

Please note while our teams are committed to clearing the cargo on the weekend we do need your support. If we're not able to clear the cargo there will be impacts next week, which is the critical week leading up to Christmas.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'S. Borg', with a stylized, cursive script.

Steven Borg
Executive General Manager
Tasmania & Shipping