

MILFORD

matters

winter 2004

The Milford Safety Net - A lifestyle choice
Warehouse Expansion
ACT Manslaughter Legislation



Behind you all the way

From the CEO



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Greetings to our customers, suppliers and friends! The first half of this calendar year has been a momentous one for the Company. After considerable research and a detailed search, we have selected a new Enterprise Management System (ERP), and are now in the process of implementation, with a 'live' date of the 1st July 2004. This considerable investment in both time and dollars is a reflection of the confidence the Board has shown in the future of the business. It also highlights the clear fact that our current software has not the flexibility to support our customers and suppliers in the way in which we need to be able to do so in the coming years.

The half has also seen the beginning of the third phase of

our Plant upgrade with the introduction of a new robotic welding machine into the IBC Division. Having reorganised the Plant for improved

efficiency in 2002 and re-laid the Services, we are now at the start of a significant period of investment in up to date technology.

As you will read in this Edition, we have been extremely active in the VLR Division. We have re-vamped our NSW after market distribution and introduced an inter-State warehouse for the first time – in Sydney. Most exciting, the Milford Safety Net will be launched in July. It is a more generic restraint product, with aesthetics to boot! Our distributors will be able to hold a limited number of part numbers to provide a solution for a number of compact sports utility vehicles – something vital in the era of vehicle proliferation.

All in all, these highlighted points are a reflection of the continuous change necessary to maintain competitiveness, and we are intent on keeping our market edge in order to provide ongoing benefits to our customers, stakeholders and shareholders.

Best regards,
Nigel Smalls

Milford IBC's on show



Two Industry Trade Shows have allowed Milford Industries to show off its IBC product range to the food, chemicals and logistics community.

Both were held at Sydney's Darling Harbour Convention Centre, Bulkex in March and Matex in June, enabling us to show our continuing commitment to the marketing of our range of folding IBC. Bulkex is a specialist Show for those involved in Bulk Handling, so the number of leads was limited, but of excellent quality. Matex, on the other hand, is part of Manufacturing Week with substantial attendance from general industry, and consequently many more leads.

We took the opportunity to display our recently developed low discharge Milford Modular liquid IBC, which can achieve a better than 98% discharge on a flat surface. What's more this is achieved without the need for a well or trough under the base, an advantage over other units as there is no impact on

fork lift access. We also used both Shows to canvas opinion on the stainless steel Carrimor folding IBC. Both were received extremely positively by attendees.

While the Bulkex stand was limited in size to showing only three containers, Matex allowed us to also include our Milford Lite IBC, aimed to compete against entry level IBC in the pulped fruit sector. There was lots of interest expressed, especially to use this container as a viable alternative to wood.

Importantly, at the Show we were also able to confirm an alliance with Spacecraft, a manufacturer of demountable cardboard IBC, and this will allow us to offer packaging to customers seeking export "one-trip" solutions. This continues the development of our objective to provide a full range of options to our customers and potential customers, while still concentrating on the promotion of our own range to the market.

Milford and the National Packaging Covenant



The National Packaging Covenant is an industry self-regulatory Environmental Code of Practice for Packaging.

Its objectives are to reduce packaging waste in the supply chain, either through re-use, recycling or deletion. It was established in 1999, and now has over 600 signatories.

As a (relative) low waste producer, Milford has only been involved since 2003. "We decided that as part of

our continuous improvement drive and the environmental focus taken since ISO14001, it would be a good idea to be held accountable to an "Action Plan" says David Stanes, Purchasing & Supply Manager, and Covenant representative. "We have looked at what we can do in Design Cost Reduction, Production Process Improvement and Distribution Efficiency and have come up with a number of initiatives, ranging from simple – for instance placing

recycling logos on our boxes – to complex – looking at ways to avoid use of shrink wrap in the transport of wire mesh from our supplier."

The 16 point Action Plan will be reviewed at the end of the year and a report provided to the National Committee. This provides the incentive to make sure that words become reality – as at time of going to print, 8 of these have been implemented with a number of others currently in process.

Warehouse Expansion

The 1 May 2004 was a red letter day for Milford Industries. On that date we commissioned our first regional warehouse located at Toll Logistics in Sydney.

Customer service and all orders will still be handled by Milford's head office in Adelaide. Greg Spooner, Product Manager - VLR, said this was the right move to support our stockists in this valuable market. "The major product numbers from our extensive range of applications will be stocked items. Other products or out of stock lines will be dispatched ex Adelaide via the New South Wales warehouse".

Greg went on to say, "we aim to

ensure that all orders are delivered the next day. This new arrangement will greatly assist our New South Wales stockists in meeting their sales requirements.

The new warehouse comes as Milford changes its distribution in New South Wales. "We felt that we needed a greater retail presence in NSW", states Henry Mercieca, Account Manager - VLR, and so the company has added six stockists to those supplied direct.

The changes which include target sales incentives is expected to address competitive pressure experienced in the state in the last twelve months.



The Milford Safety Net - A lifestyle choice



There is no doubt that the world benchmark for load restraint devices is the Milford Cargo Barrier.

We understand though that not all drivers of open interior cars want to go that way. For whatever reason, aesthetics or lifestyle, they want to take a different approach to interior safety. For two years Milford has been developing a new load restraining device, the Milford Safety Net. We searched the globe and found a superior high strength, flexible textile net.

When combined with a reinforced vinyl perimeter and the Milford "Quick Release" attachment system we now had the right product for

our target market. Importantly, we benchmarked the Safety Net's performance against UN Standards.

Initially aimed at the compact SUV market, the Milford Safety Net is quick to fit by a skilled tradesman and when not in use stows away in its own storage bag. Stockists will particularly appreciate that one model will fit a variety of vehicles. The Milford Safety Net can be refitted to a similar vehicle when the customer sells their car.

At Milford we are very excited that we have developed an appealing product for this particular fast growing market segment. It is unobtrusive, aesthetically pleasing, simple to fit and operate, and the price is very affordable.

Spotlight on Distribution: ARB



Since its inception in 1975, when company founder Anthony Brown recognised the need for better 4WD equipment capable of handling the harsh conditions of Australia's Outback, there have been several moves to accommodate the ever expanding business.

ARB is today located in Kilsyth, Victoria on 180,000sq ft with over 300 people on site. With offices in every state, and stockists through-out Australia, ARB has come a long way since the 70s and has brought a wealth of experience into the industry. As always, they continue to manufacture and distribute quality 4WD accessories to enthusiasts all over the country, from ARB bull bars

and OME shocks and suspension to a broad range of general accessories. Combine these quality products with helpful and informative service from their experienced sales team and you can be assured you're getting the right advice for whatever conditions you're heading into.

ARB has always put a strong emphasis on quality and only stock and sell 4WD products that are recognised as first-rate. Milford cargo barriers are a perfect fit in the ARB product range, as they are an essential safety item in any 4WD wagon.

Like, Milford, ARB takes a no compromise approach to their products, putting quality, reliability and functionality above all else.

LandCruiser Prado is 4x4 of the Year

Today's new generation LandCruiser Prado GXL Turbo-diesel has been named 4x4 of the Year by a leading Australian four wheel drive magazine.

Milford Industries are proud to be suppliers of the Cargo Barrier selected by Toyota for fitment in the new Prado.

Product Training Seminar, NSW

Our seminar held during January 2004 in Sydney was an unqualified success. We had more than forty Milford State specialists and stockists from throughout New South Wales. All agreed that the material presented was of enormous benefit.

Milford personnel launched the new installation and product guide video/DVD. There is no doubt from comments we received that there is solid inherent strength in the Milford brand.

Attendance certificates were issued to all attendees. The next State for training will be Queensland, late May and Victoria late June.

Did you know?

You may not be aware that Milford manufactures much of the decking panels that are used underfoot in the Stands. As the Clipsal 500 Race grows year on year so we provide more, this last year, 1400 for new corporate facilities.

Industrial Manslaughter in the ACT

On 1st March 2004, the ACT Crimes Act was amended to include the new crime of "Industrial Manslaughter". This is the first time that a State or Territory has implemented legislation that includes the senior Officers of a corporation, who if shown to have "substantially contributed" to the death of a worker, can be jailed for up to 20 years. The Act also provides for a maximum fine of \$1.25m to the corporation. Interestingly, the definition of "worker" includes not only employees, but also independent

contractors and volunteers.

It is clear that governments are prepared to be tougher on corporations in their demands to reduce the incidence of employee injuries and deaths in the workplace. Already existing OH&S legislation in Victoria, NSW and Queensland has been beefed up to include jail sentences of up to five years for individuals responsible for negligence in managing workplace health and safety.

From the point of view of Milford customers, it is important that

consideration be placed to ensure that internal load restraints used comply to the highest standards available for the vehicle, and that this should include independent sub-contractor vehicles (reference Santorini vs Mayne case 1999).

On the materials handling side, consideration should be given to the age and ergonomics of the equipment being used, regardless of the ownership of the asset.

Article preparation used Addison, M (April 2004) 'Industrial Manslaughter: Do we need it' in Safety First Magazine.



Overlander with Milford

Always looking for new ways to get our message across to the general public, Milford recently arranged with Overlander magazine to run a competition asking people to tell us why they deserved to win a cargo barrier. Five cargo barriers were prizes, including installation. The advert allowed us once again to highlight the dangers of rollovers.

The success of this promotion is likely to make competitions an annual event. The winning entries including the following poems:

***A sudden stop –
hit in the head!
Rollover, I could be dead.
Make me a safer
cargo carrier,
Give me a Milford
Cargo Barrier.***

***Dad's car's great,
my child seat's smart
My pram's so big,
the boots too full,
It's not very safe.
Please protect my space!***

Employee Focus: Steve Taylor

Before commencing at Milford Industries Steve had a trade background in precision engineering to very tight tolerances. In late 1993 as a member of the jigs and fixtures team he assisted in bringing Milford Industries' largest IBC (Intermediate Bulk Container) contract with Australia Post to fruition.

Steve has held many roles at Milford including Supervisor, Manufacturing Coordinator and Manufacturing Manager. He is a passionate employee who has observed and been involved in many changes at

Milford as the product range continues to grow.

Steve commented, "of all my roles at Milford there is none more professionally satisfying than the role I hold currently, that of Manufacturing Support Manager. The business has identified the need to have a greater focus on improvements of manufacturing methods and increased automation throughout."

Known as 'Jugs', Steve is a keen fisherman and has the ocean in his blood. "There's just nothing like being out on the boat, a beer in hand catching fish".



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