

SUPERPORT Quarterly

March 2014



JOIN US AT MULTIMODAL

We are offering City Region businesses the opportunity to join us to promote their services using our stand as their base at Multimodal 'the UK and Ireland's best transport and logistics event'. We can incorporate your logo on the stand and display your marketing materials. It is a great chance to network and gain exposure in the transport and logistics sector. Please get in touch if you would like to take advantage of this opportunity:

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Market Analysis

In this issue I am happy to report the completion of the market analysis of land and property undertaken by NAI. The report highlights the considerable opportunity that SUPERPORT presents both for local stakeholders and for national and global investors, developers and operators in retail and manufacturing logistics. A summary report can be found on our website [here](#).

The report examines the factors that will drive demand, from investment in SUPERPORT assets and capabilities, through to major changes in the global and national context over the next 20 years that will impact upon the City Region. The report then goes on to examine the current and planned supply of sites in the City Region that could meet this demand. These sites are evaluated taking into account size, quality and suitability and matched against the demand profile.

The report was launched at the international property conference, MIPIM at the beginning of the March and received an enthusiastic response from a range of stakeholders including

investors and occupiers. Logistics is a recognised growth sector in the UK and Liverpool City Region is capitalising on its natural geography by developing a SUPERPORT freight and logistics hub. The report forecasts the demand for logistics sites over the next 20 years which will guide activity in the City Region to ensure we have 'oven ready' sites to offer the market and thus capitalise through inward investment and job creation.

With £1 billion of investment in port and logistics assets having commenced in 2013, the City Region's multimodal facilities are transforming northern UK freight capability. This investment will deliver a transformation of the sector and significantly enhance the whole region's attractiveness for retail and manufacturing logistics due to easy access to 35 million people within 150 miles.

Upcoming Events

At the end of April we will be back at Multimodal to directly showcase the SUPERPORT freight and logistics hub to the freight and logistics industry. We will be highlighting the merits of SUPERPORT as a key part of a

successful and efficient global supply chain. We are hosting an industry leaders' dinner with Lord Anthony Berkeley already confirmed to attend and I will be taking part in the Freight Transport Association (FTA) seminar on 'how to move freight by water' on Wednesday 30th April. I hope to see you there.

In June the International Festival of Business will commence and the City Region and beyond will be a hive of international visitors and events. SUPERPORT will be promoted at events including the Automotive Supply Chain Congress and the UK Warehousing Association Conference. More details can be found [here](#).

Bernard Molloy,
Chair,
Liverpool
City Region
SUPERPORT
Committee



NAI Market Analysis

Logistics is a recognised growth sector in the UK and Liverpool City Region is capitalising on its natural Atlantic facing geography by developing a **SUPERPORT** freight and logistics hub.

Key Messages

- 1 ■ **SUPERPORT** is a substantial and effective logistics cluster with a wealth of assets and capabilities focused around the Port of Liverpool, North West England's largest port
- 2 ■ The City Region's central position allows ready access to large centres of population - 35 million people live within 150 miles. Excellent connections to the national motorway and rail network enable logistics operators to service both Scotland and the south of England with same day delivery.

3 ■ Over £1 billion is currently being invested across the Liverpool City Region in infrastructure including Liverpool2, a £300 million new deep water port at the mouth of the River Mersey, direct access onto the West Coast Mainline railway system via the Mersey Multimodal Gateway (3MG) intermodal terminal, and the Mersey Gateway, a six-lane road bridge over the River Mersey providing a new fast and reliable strategic transport route linking the Liverpool City Region and the North West with the rest of the UK.

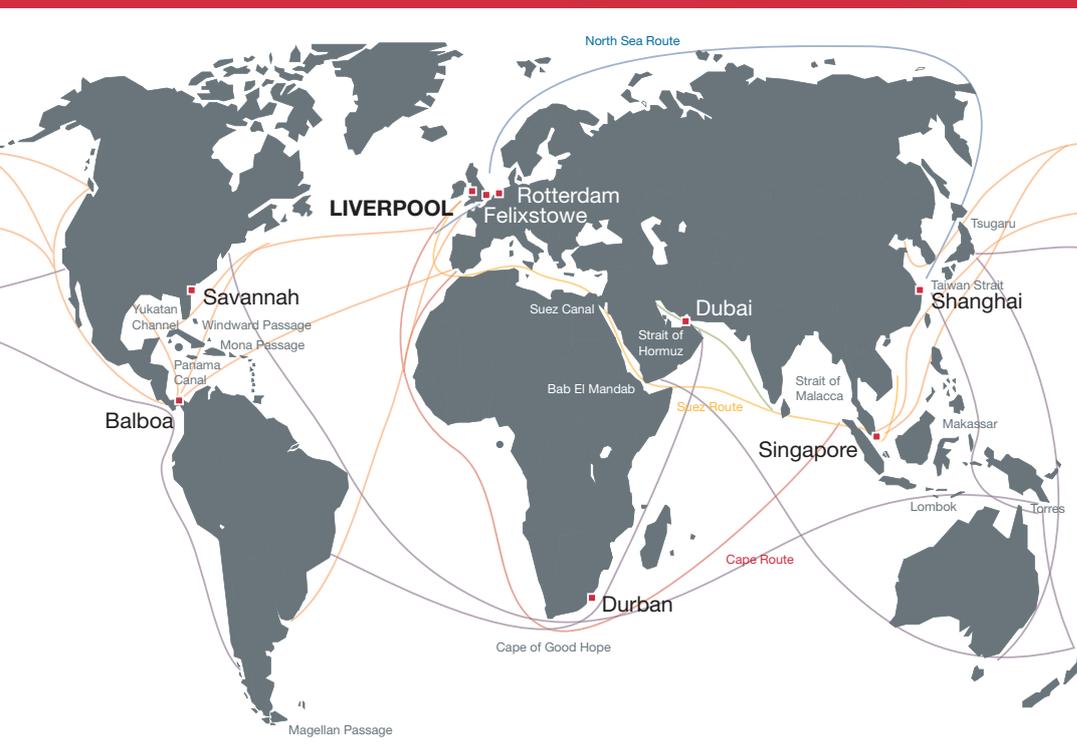
4 ■ This investment, allied to the opening up new highly lucrative markets for Atlantic facing ports from the widening of the Panama Canal, aims to create the most effective and cost efficient environment for freight cargo logistics and passenger transit in the UK and to make **SUPERPORT** a multimodal freight hub capable of rivalling such international locations as New York, Dubai and Singapore.

5 ■ The increased logistics capacity from this planned investment in Liverpool City Region's port and logistics assets has the opportunity to deliver a

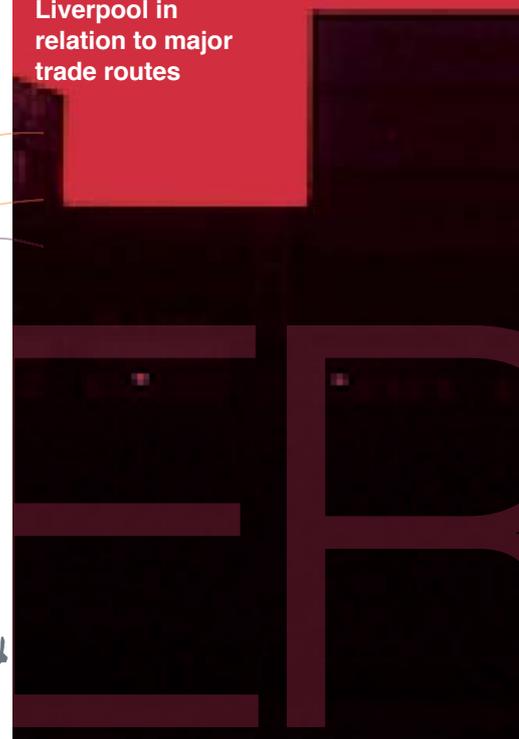
transformation of the sector and significantly enhance the whole region's attractiveness for retail and manufacturing logistics operations, and with it the potential to create 30,000+ jobs in the next twenty years.

6 ■ A good supply of high quality and readily accessible sites exists sufficient to meet occupiers' demands arising from this investment over the next 5 years. Over the twenty year period a further 400-500 hectares of high quality sites are forecast to be required to meet the anticipated significant increase in demand. There is a collective commitment, through local planning processes, to identify and develop sufficient high quality sites and investment in transport infrastructure to meet this demand.

7 ■ This presents an outstanding opportunity for developers, investors and occupiers to work with the City Region's partners to take advantage of the enhanced competitiveness of the location for logistics and manufacturing operations and fulfil the considerable potential of **SUPERPORT**.



Liverpool in relation to major trade routes



Logistics Property Market

Demand for land

Overall this equates to a requirement for some 783-808 hectares of land over the next 20 years. If wholly port based uses are excluded (174 hectares), this makes the **net requirement 634 hectares for logistics and manufacturing**, of which 418 hectares will be required for logistics and 216 hectares for manufacturing.

Supply of land

The key requirement for logistics facilities in the **SUPERPORT** region is a ready supply of available land and premises of sufficient size, quality and proximity to the Port and other key infrastructure assets.

Short term supply

Of the 69 sites of 5+hectares identified in the study, 12 of these are considered to be high quality immediately available sites covering 233 hectares of land. The largest site is 3MG and the next Omega South. With demand over the initial 5 year period estimated at 158 hectares (200ha with 25% headroom) supply of high quality sites is good, providing occupiers a range of suitable options.

Long term supply

Longer term, demand for logistics and manufacturing facilities (excluding specific port based requirements) is estimated at 634 hectares (net) over the 20 year period. Whilst total supply of sites is 851 hectares, 618 hectares are currently constrained through availability or physical factors with a quality ranking of 2 or 3.

In order to be competitive in the logistics market, the City Region needs a good available supply of large high quality sites suitable for logistics clusters, or demand will go elsewhere regardless of its operational advantages. On current estimates a further 400 hectares of high quality sites (500ha to provide 25% headroom) over the next 20 years would enable the City Region to maximise the opportunity created by **SUPERPORT**.

The summary report can be found on our website [here](#).

KEY SITES INCLUDE

3MG (Halton)

90ha rail connected site including Stobart Park and HBC Field

Atlantic Park (Sefton)

16.75ha mixed use business park

Stonebridge Business Park / Stonebridge Cross (Liverpool)

20ha distribution site

Knowsley Industrial Park (Knowsley)

21.7ha inc Potter Logistics Rail Terminal

Omega South (Warrington)

48ha Site adjoining M62

Parkside (St Helens)

100ha Strategic Rail Freight Interchange

Port Bridgewater (Cheshire West)

18.6ha Inland rail connected logistics site

West Float (Wirral)

24.3ha including International Trade Centre site and supply park

XL Business Park (West Lancs)

11.2ha extension site in Skelmersdale

Sites of 5+Hectares

(Within 60 minutes drive time of the port)

● SUPERPORT Site



Multimillion pound technology investment will streamline container terminal operations

Peel Ports is making a multimillion pound investment in Navis N4 terminal operating system (TOS). The new system will streamline operations and align the customer experience across the Group's container terminal sites located in the UK and Ireland.

An industry leader in port centric and handling facilities, Peel Ports combines innovation, commercial know-how and commodity expertise to develop game changing logistics solutions, which bring added value to customer supply chains.

As a UK-wide business stretching from Clydeport in the North to Medway in the South East, Peel Ports connects major population areas across England, Scotland and Ireland through its Irish Sea hub. The Group also owns and operates the Manchester Ship Canal – the UK's only water freight route delivering cargo and containers to the heart of the UK.

This strategic network of ports, hubs and services, allows Peel Ports to

offer complete logistic solutions for its customers, which streamline supply chains, helping to cut costs, carbon emissions and congestion. Its customer base includes Kellogg's, B&M Retail, Typhoo and Home Bargains.

The Group continually strives to enhance and improve its customer experience and this was the driving force behind the decision to move to Navis N4. Peel Ports' £300m Liverpool2 deep water container terminal development will serve as the enabling platform for Navis N4 and the base from which Peel will standardise and centralise their TOS.

Built on reclaimed land in the River Mersey Liverpool2 will double container capacity at the port, offering shipping lines a unique opportunity to bring larger vessels – up to 13,500 TEU – closer to the UK's consumer heartland than any other UK port.

Liverpool2 will be equipped with 8 megamax STC cranes and 24 CRMGs, and will be the first semi-automated CRMG terminal in Europe.

As part of the new Liverpool2 development, the N4 TOS will be installed and fully integrated enabling complete automation of the terminal whilst allowing Peel Port's

to standardise its operations and centralise visibility. The state of the art TOS will connect a multitude of data inputs from shipping line files, to haulage vehicle booking systems and port operating systems.

Overall, Navis N4 will allow Peel Ports to streamline operations and align the customer experience across multi terminals within the group. By optimising efficiency it will power the intelligent movement of goods, giving the terminal operator a flexible and scalable platform.

David Huck, Port Director at Peel Ports, said:

"We are ready as a group for this performance enhancing technology as we are committed to delivering a world class customer service."

"We operate in an increasingly competitive market and understand that in order to continue we need to continue to invest in our customers. Full integration of the terminal operating technology is an essential part of this process."

"Using N4 will have a genuinely transformative effect on customer experience and will undoubtedly deliver logistics solutions of real value."



Visualisation of Liverpool2 due to open in 2015

SUPERPORT Property Focus



G.Park Widnes (90,000 - 524,249 sq ft)

G.Park Widnes offers 40 acres of development land which is suitable for B1, B2 and B8 uses (subject to planning consent). Gazeley can offer freehold and leasehold design and build packages from 90,000 sq ft (8,361 sq m) upwards.

The site is strategically located close to the M62 with good access to the M6 (J21a) motorway.

For more information, please visit gazeley.com/widnes or contact **Bruce Topley** on **0207 901 4467** or bruce.topley@gazeley.com.

Port Academy Liverpool Rises to the Challenge



As work continues at Liverpool2 it is a constant reminder to those within the Bootle community that the Port has been a driving force in the regions' prosperity for the last three hundred years.

Hugh Baird College sees itself as pivotal in brokering opportunities between employers and an emerging workforce and is responding through the provision of training and skills opportunities under the banner Port Academy Liverpool. By working with young people and local businesses the College's mission is to provide a workforce ready to rise to the positive

challenge that SUPERPORT will bring. Yana Williams, Principal of Hugh Baird College said,

"Our relationship with local schools and businesses sees us as ideally placed to deliver a responsive programme of training courses and opportunities linked to port operations and maritime logistics."

She continued, *"We are currently working with multiple partners, ranging from Sefton Council to the Institute of Chartered Shipbrokers to rise to the challenge that this £350m development on our doorstep will bring. We aim to enhance the training offer already provided by other academic partners in the City Region by meeting the needs of those in our own community and hopefully contributing to the wider economic growth of the entire City Region."*

Please visit www.portacademyliverpool.com for further information.

Customer feedback helps drive Belfast to Liverpool timetable adjustment

Stena Line has announced that it has adjusted the timetable of the Stena Hibernia on its Belfast to Liverpool (Birkenhead) route to better suit the needs of its customers. The service will now start the week from Belfast at 1500 on a Monday, the leading ferry company has identified Monday afternoon as a key sailing time for its customers.

Richard Horswill, Stena Line's Head of Freight UK and Ireland said: "Stena Line introduced the Stena Hibernia in November 2013 to complement the Stena Lagan and Stena Mersey to help cope with increased demand for freight capacity on this route.

"We have had a fantastic response from our customers to the new service and I am delighted to report that this demand has continued. We are working with our customers to ensure we develop the service to meet their needs and with this in mind, the first sailing of the week will now leave Belfast at 15.00hrs on a Monday instead of 03.00hrs on a Tuesday from Liverpool," Richard continued.

The Stena Hibernia, which has capacity for 12 drivers and 110 unaccompanied units representing an additional 1,680 lane metre capacity, operates eight sailings per week, giving freight customers greater availability and choice.



Success at Boot Camp Bootle

In January the Smart Business Academy ran a very successful Boot Camp pre-employment programme in Bootle. SUPERPORT related companies were encouraged to get involved in the two week 'try before you buy' recruitment solution. The programme is designed by employers including Stobart Group to meet the needs of employers and saw potential future employees attend a number of interactive and dynamic

workshops alongside work experience days with partner employers to gain an invaluable insight into our sectors and operations.

The positive result was 7 new jobs for the successful candidates who were all interviewed. Those who did not secure positions this time are kept in a bank for employers to access as jobs come up. Employers have the reassurance of knowing such

candidates have undertaken specific training and are truly job ready.

We will be rolling out more of these programmes in Bootle and throughout the City Region.

If you would like to find out more please contact **Rebecca Foster** on **01228 882 300** or alternatively email rebecca.foster@stobartgroup.com.

Events

8th April – Liverpool SUPERPORT freight hub – a great investor opportunity at the beating heart of UK logistics. A briefing for UK institutional investors in London in conjunction with Knight Frank and WHR.



29th April-1st May – SUPERPORT stand 218 at Multimodal, NEC, Birmingham

30th April - Industry Leaders Dinner (invite only)

9th June – Maritime, Logistics and Energy week begins at the International Festival for Business

10-11th June – Automotive Supply Chain Congress, IFB

10-12th June - UK Warehousing Conference, IFB

16th June – Industry Leaders Reception and Dinner in Liverpool with Lloyd's List and Containerisation International

Please get in touch at claire.delahunty@liverpoollep.org if you would like to get involved in any of the events.



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