

**FROM THE HEN  
HOUSE TO THE  
SUPERMARKET,  
ORIX HELPS BARTTER  
ENTERPRISES  
MANAGE THEIR  
MIXED VEHICLE FLEET**



The company behind the Steggles Chicken brand, Bartter Enterprises, is Australia's second largest chicken meat producer.

With a fully integrated vertical business model, Bartter Enterprises manages the entire chicken meat production process from breeding stock eggs imported into the country, through to the wholesale distribution of the fresh, chilled and frozen chicken meat product daily to thousands of retail customers including big name brands such as Coles, Woolworths and Franklins.

"When you are dealing with transport and logistics, Steggles and Bartter clearly have a major challenge given the diversity of our business combined with our geographical coverage of our vast country," said Barry Ford, Finance Director for Bartter Enterprises.

"Our fleet is not large by many standards but it is complicated in that it is made up of a diverse mixture of specialty vehicles; from the temperature controlled trucks required to transport delicate eggs and day old chicks around the country, to the passenger vehicles used by our sales representatives, to the refrigerated vehicles used to distribute the processed chicken to our customers. Each vehicle is quite unique and was managed as an asset without many common processes or centralised controls."

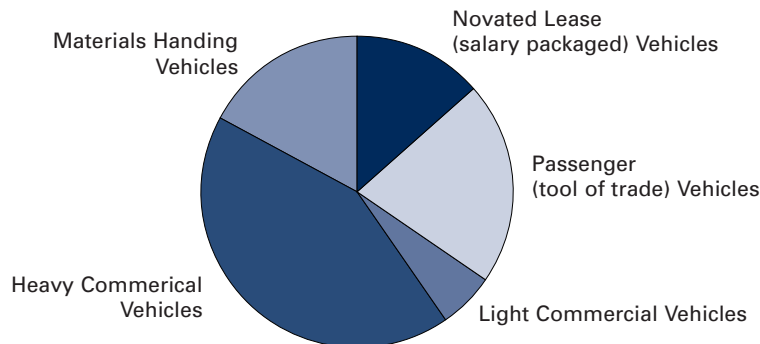
**The right fit for the right business**

With daily distributions made to all corners of the nation, Bartter Enterprises requires a fleet capable of servicing not only their customers in the major metropolitan and regional areas, but also a fleet that can transfer in-process product between its processing plants, which are located all over the country.

Bartter commenced its association with ORIX Australia in 1995 with the lease of a handful of commercial and heavy vehicles needed to meet the business' expanding distribution needs. At that stage, ORIX was one of four fleet services providers working with Bartter, managing the various passenger, light and heavy commercial vehicles within its fleet.



## Breakdown of Bartter Fleet



In January 2003 Bartter decided to standardise and rationalise its passenger and commercial vehicle fleet of 220 fully maintained operating leases (tool of trade vehicles) and 60 novated leases (salary packaged vehicles) with the aim of simplifying the fleet management process and saving both time and money.

"The danger with internal management of a mixed fleet or using a number of suppliers to manage your operation is that if you're not careful you can end up losing effective control over your own assets," Mr. Ford said.

"With multiple deals and service level agreements in play there were few standards imposed and effective fleet management became difficult. We saw consolidation and outsourcing of this area to a single provider as a means of saving money and re-establishing good standards, reporting and controls within the business."

### Consolidated Approach

Bartter invited ORIX and four other fleet services providers to tender for the funding and management of the vehicles. After a 6 month tender process ORIX was awarded the full management of Bartter's mixed-fleet arrangement.

"From the first interaction we had with ORIX, we were struck by the level of professionalism and experience they exhibited in managing our heavy and commercial vehicle requirements," said Mr. Ford.

"We have very specialised needs because of our unique fleet and ORIX made every effort to get to know and understand our business needs before providing advice across the mix of vehicles that would aid and improve our business metrics," added Mr. Ford.

And this initial support didn't stop at the conclusion of the sale. ORIX continues to regularly interact with Bartter's internal fleet managers to ensure their expectations are being met as well as providing regular updates on how the fleet is tracking, allowing Bartter to make informed decisions when considering its vehicle management policies.

"ORIX understands that it is a competitive market in which they operate. Their key differentiator continues to be the emphasis they place on understanding our business to the same degree that we do," Mr. Ford said.

### Management Clarity

Since the fleet consolidation in August 2003, ORIX has funded and now manages approximately AUD \$31m in transport assets for Bartter. Ford cites the simplification of management as the major business benefit achieved as a result of the move.

A key part of Bartter's fleet consolidation was setting common standards across the board as to the provision of services included in a fully maintained fleet agreement. Bartter management and employees now have a much clearer understanding and expectation in terms of fuel suppliers, maintenance criteria and levels of roadside service that are offered.

Fleet consolidation also reduces the internal politics often associated with employers attempting to manage novated lease agreements. Employees wanting to check the status of their vehicle or clarify their service level agreement have one central contact at ORIX, which in turn reduces the pressures faced by internal HR managers and financial controllers.

"Consolidating the management of our mixed vehicle fleet through ORIX has not only brought consistency to our fleet arrangement, but also allowed us to reduce the costs and stress found with our earlier approach," Mr. Ford concluded.

ORIX currently manages 327 vehicles in Bartter's growing fleet, broadly comprised of 44 Novated Lease (salary packaged) vehicles, 69 Passenger (tool of trade) vehicles, 19 Light Commercial vehicles, 139 Heavy Commercial vehicles and 56 Materials Handling vehicles.

To find out how ORIX can help you Realise More from your business, call **1300 652 886** or visit [www.orix.com.au](http://www.orix.com.au)

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