



Moving On UP



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SRT Logistics has come a long way since its establishment in Tasmania. The organisation has expanded into Victoria and has diversified its fleet to accommodate the growing market.

Images by Peter Whyte

After more than 20 years of operation in Tasmania, SRT Logistics continues to expand its network and capacities. Originally owned and operated by Managing Director Jim Miller as the sole proprietor, the company was incorporated in 1998 as Statewide Refrigerated Transport. In 2006, the organisation changed its name to SRT Logistics to better reflect the company's expansion into the interstate market and its increase of dry grocery account and warehousing, which saw the business broaden its speciality from refrigerated goods

into the wider food wholesale and retail industry.

Jim's steady hand has helped SRT go from a transporter of carcass and carton meat from Launceston to Hobart for the Blue Ribbon Meat Company to now operating Tasmania's newest, most extensive, and most technically advanced fleet of refrigerated equipment. The company has cemented itself as the state's market leader in terms of both service and innovation.

With four distribution facilities across Tasmania and Victoria, and an impeccable reputation for

flexibility and dependability, Jim is proud of his company's accomplishments. He looks back on the company's developmental years and what the future has in store.

The CEO Magazine: Can you give our readers an overview of your professional background leading up to and including your current position?

Jim: I went to agricultural college in South Australia, came back from that, and worked on Clarendon Estate, which is a property up in the north near Evandale. I came from that and worked at an >

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agricultural company, like a stock and station agent. I then went to mechanics, which was handy because I took on a bit of motor racing. I started a car yard with another bloke, and I moved on from that after a few years and started dabbling in transport with one or two vehicles. That didn't work out too well, so then I took on running a service station, and then a few years later bought another one. I think it was about 1986 when I sold the service station, by which time, because I had one truck left over, I started renting that out and I ended up having a truck-rental business here in Tasmania with about 30 trucks around the time I sold it. I sold that just after I got into this business in 1988, so that was when I bought the beginning of this with a partner, and that split up; he took the dry freight side of it and I took the refrigerated side in 1995. So I have been here ever since. This is the longest job I have had.

What has helped your organisation to become more efficient internally and externally?

We put in a new computer and software system on the management side about 18 months ago: Freight2020, which is a whole new operating system for us. The old one was good and served us very well for a long time, but once we got a bigger fleet and lot more consignments to handle, it was having trouble handling it. When we put this one in, that streamlined a lot of what we do. When we started using it, we used it to do all of the financial side of the business straightaway.

That was the first part; now we have moved into doing the other parts of it, which are transport and warehouse control. We are one step away from doing 'sign on glass' for the deliveries because we are trying to eliminate the losses and damages—well, not damages; hopefully, we are trying to eliminate that, but with losses it's the things that we know we delivered nine times out of 10. It's just that they don't get accounted

for because someone has forgotten to get a signature, so it's called a loss, and these things add up over a year. We have to allow for that sort of thing in our budget; this current budget has about \$100,000 in lost product, which is not a good outcome. The more we can control that by changing our systems and managing the way we do things, the better.

That's the office side of it. The other side of it is the vehicle tracking that we do with Cooltrax. We can tell you what the temperature is in the van and where it is in Australia, what the set point is, what the freezer is running at, return air temperature, whether it's off, whether it's on; these are things we can get in real time. And the same with the new trucks we bought 15 months ago—they all have the tracking to give us real-time readout parameters of what the drivers are doing and where they are.

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- Jim Miller

It's all making us more efficient, because I know from the trucks we tested we would get 1.8 kilometres to the litre, and we are actually averaging 2.1. So we're ahead of the game already. The more we can do things like that, the better the business becomes. And that's not only for us; it's also for customers' outcomes too.

What have been some of your greatest challenges, and how has SRT overcome them?

I suppose finance is probably the bigger one. When we did a fairly big expansion, as far as the size of the business was in 1998, I thought, 'Oh gosh, how am I going to buy these eight trucks?' Because at that stage, I think we had six or eight, so we were doubling the fleet and numbers of blokes and things like that to take on the extra work. That was a little bit difficult just because history wasn't long enough to prove the point that we >





could do what we said we could. But I had a really good friend, an ex-Tasmanian named Mike Dobson who was at Mercedes at that time, and that's when we started buying freightliners. Between him and a finance broker in Hobart, we were able to pull it all together.

So that's the sort of thing that cropped up again when we were looking to get new premises to move to. We wanted to have better premises since we needed a bit more room, things like a warehousing area. So when we bought Brighton, we were chasing around to buy land. Again, it's finance, wondering whether the banks will take you on. After a bit of pushing and shoving a few months down the track, we finally got an answer, and in that case it was the right answer for us and we have been here ever since. That was around 2002, and that's the nine-acre site we have here, next to the rail yards in the new Brighton Transport Hub, which should do us for a few more years yet.

You recognise this more, and you hear other people say it too: 'How far or how quickly can you expand and cope with the expansion?' And it's not really bums on seats to drive them, although that is a problem sometimes, and it's not necessarily getting the equipment; it is 'Can your facilities carry the extra money on the books, the debtors, and then the creditors that follow that?' That can be a worry, for sure, and it does make things tight at times; I acknowledge that.

On the operational side of things, why is it important to work closely with your suppliers, and how do you do it?

It's not so bad if you are only buying one of this or one of that, but in 2012 we had to put an order in for another 10 or 12 trucks, and we bought 18 trailers. That was all to be delivered within the space of a month. If you don't have suppliers that you can rely on to deliver, you're in trouble. I think

that's the answer—suppliers that can deliver. If they can do that for what we need, we can do that for our customers. It's a merry-go-round; if one part of it fails, it makes it very hard for the next part to succeed.

In terms of the future of SRT and expansion plans, what can we expect to see?

Because of this last little boost in business, we are still going through consolidation from the expansion. We had a little bit of a setback in August last year when one of our customers went into administration, so that cost us quite a bit. But moving right along, we are getting there; the figures are on the right side of the ledger.

As for expansion in itself—no, we are not looking to expand hugely; yes, we are always happy and want to talk to new customers that we can help. So it's as the Sensis people say when they ring you, which they do for me every

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quarter: 'moderate expansion,' just for the time being. But if we can handle something that pops up—you never say never. You have to get to the end of the line and then say whether we can or we can't.

How has your foray onto the mainland worked for the company? Your son is heading that up.

Yes. My older son, Brent, lives in Melbourne and oversees that end of the operation. And my younger son, Robert, is the company's general manager. So he does the day-to-day stuff, controls, all that sort of thing, and has a major customer focus.

With your family as part of the business, how do you manage to balance your work life with your personal?

I'm probably getting better at it, mainly because the demands on my time have dropped a bit. I suppose now I don't have kids to run around for, but there are a couple of grandchildren in the mix now. I tend not to be at work every

weekend now. I leave home at probably 9 o'clock in the morning or a bit after. By the time I stop in town and do a few things, it's a half-hour trip from home to work, which is probably nothing to you, but to me who is used to living within 10 minutes of work 90 per cent of my life, it's a bit of an extra task. So, yes, I am getting better at balancing it; we do a bit more travel and holiday things, get around the countryside, have a look at what Australia has to offer, and a bit of overseas travel.

In my early days, I spent a lot of money motor racing. My mother said I would regret it, but no, I don't think I regret it at all. It was a great experience, and in those days I put every dollar I had into it. I didn't really see that it was going to keep me alive and give me a good payback. I couldn't see it that way, so it was always an adjunct to a job.

Both of my sons did go-cart racing and things like that. Robert went on and we did Formula Ford racing for three or four years. We did the circuit around Australia for



one or two seasons, which was interesting, but that has been the last of it as of 2000. That was the last year that we competed.

But I always enjoyed it. I still go and see friends in the pits and we can see what is going on, because I am really not a fan of watching motor racing sitting on the hill. It's a little more fun being around the pit area, seeing what's going on mechanically and that sort of thing, from my point of view. •



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