

Press Release

July 2012

**INNOVATIVE JOINT VENTURE REVOLUTIONISES
UK'S SECOND HAND CAR EXPORT MARKET**

Leading logistics provider **Pentalver** has partnered with global vehicle logistics specialist **Autohub** and international inspection company **JEVIC**, to launch the UK's first **Vehicle Pre-Clearance Facility** for New Zealand and other markets to capitalise on the growing export market for second-hand cars.

The new joint venture is based at Pentalver's Felixstowe depot and is designed to process second-hand cars to New Zealand, an export market which is globally worth approximately £160 million per annum. The Facility will also cater for other export markets, handling RWI (Road Worthiness Inspections) to allow the export to some East African countries as well as opening up other potential markets. The great benefit of the new initiative for exporters is a simple "Drop off" one stop facility. The vehicle will be delivered to port, inspected and exported in the shortest possible time and with the least inconvenience.

Launching this month, the state of the art facility will enable every vehicle being shipped by Autohub through Pentalver's Felixstowe depot to be meticulously cleaned of biosecurity contamination and then inspected in order to meet stringent biosecurity standards required by the NZ Government - Ministry of Primary Industries.

New Zealand is world-renowned for having the toughest biosecurity regulations and requires that every vehicle entering the country must be thoroughly inspected for any possible biosecurity contamination, both internally and externally.

A Structural Inspection is also completed on each vehicle on behalf of the New Zealand Transport Agency (NZTA). This includes inspection of the underside of the vehicle and all energy management areas on the vehicle. The clear benefits of the inspections being completed in the UK are savings in valuable time and costs upon arrival in New Zealand and the assurance for the exporter and importer of the vehicles condition.

Increasingly stringent emissions regulations for new and used vehicles entering New Zealand have prompted the growth of this market for used vehicles from UK. Further planned changes will increase that demand with 2016 being proposed by NZTA as a date for euro 5 emissions compliance to be mandatory. Current domestic market vehicles in Japan are not produced to euro 5 or equivalent standard therefore, the shortfall will increase dramatically once these regulations are enforced.

A large proportion of new vehicles being registered in Japan will be unsuitable for sale in New Zealand as a used vehicle when they come to the end of their first ownership cycle in Japan. New vehicles in Japan become more expensive to own as they increase in age, making it economic to dispose of them after about 5 years. More than 50% of new vehicles currently registered in Japan are Hybrid vehicles, which do not suit the general NZ profile, with a further 20% being micro cars which are also unsuitable and not able to comply for NZ registration, therefore the supply of suitable used vehicles will reduce. There is only one other market in the world that de-fleets enough compliant, right hand drive vehicles suitable for the NZ market: the UK.

Pentalver Managing Director, Chris Lawrenson, comments: "I am delighted to announce our joint venture with Autohub and JEVIC, which is a first for the UK and demonstrates how we work with our clients to provide tailored, effective solutions, no matter what the requirement."

John Davies, Managing Director at Autohub, comments: "This is a rare example of a growing export market, with specialised companies like Pentalver, Authohub and JEVIC creating innovative solutions to ensure they are able to react to changing markets and market conditions. Over the last year we have seen a sharp increase in UK exports of second-hand cars to New Zealand. The Facility has the capacity to process over 30,000 cars per year, which means we are geared up to handle significant growth, whilst capitalising on the cost savings involved in processing the vehicles in the UK as they wait for exportation. "

-ENDS-