



MDS Transmodal[™]

Local and Global Transport and Logistics Research

CAPABILITY STATEMENT

RoRo & Ferry Sector

February 2012

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I MDS TRANSMODAL COMPANY BACKGROUND

MDS Transmodal was established in 1983 and has developed into a unique business providing specialist research, consultancy and information services to the world's transport industry. Our main activities are focussed on the freight and international passenger transport markets and cover ferries and short sea shipping, ports, the deep sea container sector, intermodal movements, road, rail and logistics. We also have expertise in inland waterway transport and airfreight.

The company's assignments range from trade and traffic forecasting at a national level, for specific routes and commodities, to feasibility studies for new infrastructure or services, to due diligence on financial transactions, to planning advice to property developers and policy advice to Government.

Our clients are drawn from the private and public sectors and include infrastructure providers, transport operators, property developers, financial institutions, government at all levels and other organisations with interests in transport-related issues.

For more general information about **MDS Transmodal** please visit our website at www.mdst.co.uk.

2 RESEARCH AND CONSULTANCY SERVICES – RORO & FERRY SECTOR

MDS Transmodal provides the following research and consultancy services in the RoRo and ferry sector:

- Analysis of trade and passenger flows and market opportunities for RoRo and ferry services;
- Passenger and freight demand forecasts for services and port infrastructure;
- Monitoring RoRo and ferry markets, providing analysis of the latest market data and developments and trends in the business environment;
- Commercial and economic feasibility of the deployment of new vessels and the development of new services and port infrastructure, including revenue and cost modelling and investment appraisal;
- Competition analysis, based in particular on revenue and cost modelling;
- Commercial due diligence on financial transactions related to ferry companies and related infrastructure;
- Route and corridor capacity analyses and analysis of the balance of supply and demand;
- Analysis of port hinterlands, modal split and inland impacts.

3 PROJECT EXPERIENCE IN THE RORO & FERRY SECTOR 2003-09

SUBJECT OF STUDY	DATES	CLIENT
Commercial due diligence on a ferry company that provides services between Great Britain and a small island community.	2010	Private equity
Development of the needs case for Terminal 2 at Dover	2008-09	Port of Dover
Analysis of the market potential for an unaccompanied RoRo service between the UK and Spain.	2008	Private client
Successful application for support from the Portuguese and French governments for a TEN-T application, to facilitate the launch of a new RoRo service between northern Portugal, Western France and North West England.	2008	Port of Brest
Market study of the prospects for RoRo freight traffic in the GB-Continent market up to 2020, including traffic forecasts for the market and by corridor and maritime mode.	2007-08	IMPACTE Project partnership: ports and regional authorities in North West Europe
Commercial due diligence for the successful acquirer of the Red Funnel ferry company.	2007	Private equity
Channel State of Freight Report: examined the issues generated by the transport of freight through Nord-Pas-de-Calais and Kent on the “Channel Corridor” and how any negative impacts can be minimised.	2007	Channel Corridor Partnership & Port of Calais
Commercial due diligence of a RoRo service between Turkey and Western Europe.	2007	Private equity
Monitoring of the GB – Continent passenger and freight RoRo markets	2002-2007	Eurotunnel
Commercial advice on the development of a ferry service between Great Yarmouth and Ijmuiden	2006	Great Yarmouth port and Norfolk County Council
West Wales Ports Study: analysis of Irish Sea passenger RoRo & freight markets	2006	Pembrokeshire County Council
Newhaven – Dieppe freight ferry study: analysis of the prospects for the route.	2005	East Sussex County Council
Study of the market potential for a RoRo freight service between France and the Channel islands.	2005	Ferry operator
Analysis of the potential for a high-speed freight ferry service across the Dover Straits	2004	Ferry operator
The Impact of Low Cost Airlines on the UK Ferry Industry: examined the historic and potential future impact of low cost airlines on the ferry industry on both Irish Sea and Cross-Channel corridors.	2003	Passenger Shipping Association
30 Year Master Plan (Phase 1): market analysis & demand forecasting for passenger and freight RoRo market.	2003	Dover Harbour Board
Commercial due diligence on the Isle of Man Steam Packet Company for the successful acquirer	2003	Private equity
Development of intra-European Ro-Ro services: study examining the prospects of the port to secure Motorways of the Sea services.	2003	Port of Cherbourg

4 DATABASES & ECONOMIC SIMULATION MODELS

MDS Transmodal has developed an unparalleled range of information services as the basis for its specialised research and consultancy services, as well as a source of intelligence for commercial and public sector organisations. This allows us to complete expert and well-informed studies in the shortest possible time. Details of the databases and economic simulation models of particular relevance to the RoRo and ferry sector are provided below:

Freight Demand:

- Ferry operator and port traffic statistics, based on a variety of industry and official sources, to define market size and segmentation.
- *MDST World Cargo Database*: country-to-country trade data at a five digit SITC level, with a time series since 1996 and split between unitised and non-unitised trade by volume.
- *MDST European Region-to-Region Trade Database*: a subset of the World Cargo Database, but with region-to-region unitised trade flows e.g. between Emilia Romagna in Italy and the North West of England.
- *MDST GB Freight Model*: an integrated software/database system linking domestic and international GB freight data with simple economic models to explain freight demand and allowing trend and scenario based forecasting. The model, which forms the freight module of the UK Department for Transport's National Transport Model, can be used to test the impact of market trends (e.g. the increasing cost of fuel for HGVs) and policy measures (e.g. the introduction of a system of road pricing) on RoRo freight flows by route, corridor and inland mode between GB and the continental mainland and Ireland.

Passenger Demand:

- Ferry operator and port traffic statistics, based on a variety of industry and official sources, to define market size and segmentation.
- *UK International Passenger Survey (IPS)*: as an official marketing agent appointed by the UK Government, MDS Transmodal holds the detailed data from the IPS, which is a permanent official survey of passengers to and from the UK; this allows the market to be segmented by origin and destination, purpose of travel, demographic characteristics, passenger expenditure and fares, as well as passengers numbers and transport mode and operator.

Supply

- *MDST Ferry Databank*: the worldwide deployment of RoRo vessels and ferries, with details of vessels and frequencies to facilitate the analysis of capacity by route and corridor.
- *MDST GB Ports Supply & Demand Model*: an economic simulation model that consists of a database of all port terminals by type, with their size in terms of hectares, depth of water etc. and freight demand assigned to vessel calls; the model, which was by the UK Department for Transport as part of its ports policy review, seeks to allocate traffic to ports, allowing for switching between them, and provides outputs in tonnes of freight accommodated and not accommodated by traffic type and GB region to a given forecast year.

5. KEY PERSONNEL

Chris Rowland

Chris Rowland has a degree in History and is a Chartered Member of the Institute of Logistics and Transport. He started his career at the National Audit Office, working in the transport and environment area and trained as a Chartered Accountant; he then spent six months working in Brussels for DG TREN of the European Commission, working in the Transport Trans-European Network Policy area. Since joining MDS Transmodal in 1996, he has developed expertise in the market and policy analysis and economics of the ferry, rail freight, port and shipping sectors. In the RoRo and ferry sector he has completed a number of high-profile projects, including a study of the impact of the low cost airline industry on the UK ferry industry for the Passenger Shipping Association and the development of RoRo traffic forecasts for the Port of Dover's Master Plan.

Chris is responsible for client relations and project management in the RoRo and ferry sector as well as providing expertise on the commercial analysis of ferry services and related port infrastructure.

Mike Garratt

Mike Garratt has a first degree in Economics and a Masters in Transport Design. He worked initially as a local government transport planner, and subsequently as a researcher and then lecturer at the Universities of Leicester and Liverpool. He then founded the transport consultancy MDS Transmodal, which has now been trading since 1983. He specialises in the commercial analysis of ferry services and related port infrastructure, as well as shortsea shipping and rail freight. Mike is regarded as one of the most informed observers of the RoRo, rail and ports industries in the UK and is a regular speaker at conferences in Europe on the RoRo industry.

Mike provides particular expertise in due diligence work and in providing evidence as an expert witness at planning enquiries.

Sharon Cox

Sharon Cox, one of the co-founders and a Director of MDS Transmodal, following a degree in Geography and a research post at the University of Liverpool, has spent the whole of her working life in research and consultancy. Sharon has been involved with many, varied projects over the past two decades but concentrates mainly on ports and domestic freight. In recent years she has been heavily involved in consultancy related to financial transactions.

Sharon has particular responsibility for managing commercial due diligence projects related to ferry services and port infrastructure.

Gail Bradford

Gail Bradford has more than 20 years professional experience in maritime transport consultancy. She worked previously for a leading UK firm of consulting engineers before joining MDST in 2000. Gail specialises in shipping market research and analysis, port traffic forecasting and strategic planning. Gail has extensive overseas port experience having worked on port development and masterplanning projects in SE Asia, China, the Pacific, Middle East, Europe and North America.

Gail provides expertise on ferry terminal economics.

Michael Hatfield

Michael Hatfield has a Geography degree from the University of Durham and also has a Masters in International Transport. Before joining MDS Transmodal, Michael had an industrial background in the third party logistics and road transport industry, where he managed a number of operations; he is therefore able to provide a valuable insight into the distribution industry. Michael’s strengths are in road transport policy and operation, the rail freight industry and multi-modal economics and market analysis in a variety of sectors.

In the RoRo and ferry sector, Mike provides expertise on international logistics and the economics of road haulage.