

Media Statement

14 June 2016

Holcim New Zealand shipping changes

Holcim New Zealand has operated bulk cement ships around the New Zealand coast for many years. The ships transport cement in bulk, from Westport to other port depots around the country. The cement is then distributed by cement tanker directly to customers.

In August 2013 Holcim New Zealand announced it would be building two new cement terminals in Timaru and Auckland and sourcing cement from overseas, to ensure cement supply to customers after the 58 year old Holcim Westport cement plant closed. The Westport cement plant which is at the end of its economic life is closing on 30 June 2016. The new Timaru terminal has been operational since January 2016 and the Auckland terminal is currently being commissioned.

Holcim operates two vessels of which one – the MV Westport – is almost 40 years old and due for ‘retirement’. The second vessel is the MV Milburn Carrier II which is 29 years old.

Through the LafargeHolcim global network, there was an opportunity to purchase a larger and newer bulk cement vessel from Holcim Vietnam which was surplus to their requirements, named the MV Buffalo. Holcim New Zealand has confirmed the purchase of the MV Buffalo to replace the MV Milburn Carrier II.

Given Holcim’s new operational strategy and changes to the supply chain, Holcim will move to a one-ship operation. The MV Westport will be sold or decommissioned and the MV Milburn Carrier II will be sold. The MV Buffalo will undergo a number of modifications for operation in New Zealand and some of our cement depots will need some modifications to pipework and silo filters to accept the ship. This detailed planning work is underway to ensure the ship will be operational when we move to a one ship operation. The timing of the commissioning of the new ship MV Buffalo will be closer to the end of the year.

We have kept our shipping employees fully informed throughout the proposed changes and will continue to work with them as we understand more of what these changes will mean to them. They were a great help during the feasibility phase and continue to assist with the planning and work needed to make these changes which is really appreciated.

Last ship visits

With the Westport cement plant closing and both new cement terminals in Timaru and Auckland becoming operational, there are some significant milestones coming up for our ships. Although schedules can change quite quickly due to weather and cement demand, the ships' schedules over the next few weeks are as follows:

- The MV Westport arrives into Westport at approximately 5.00pm this evening (14th June) and leaves around 6.00am tomorrow (15th June). This will be her last cement load out of Westport. Her destination is Wellington to off-load cement and then will sail to Onehunga. Whether she off-loads cement or not at Onehunga is dependent on stock requirements. Regardless, her last destination is Onehunga where she will be laid up until a decision is made on her future.
- The MV Milburn Carrier II has possibly two more loads to uplift from Westport. The first load will be around 20th June and the second load around 25/26 June. She is currently in Timaru loading cement which will be delivered to Onehunga on Friday morning at 8.15am (17th June), leaving Saturday morning at 7.30am (18th June). This will be her last visit to Onehunga.

The MV Westport has visited Onehunga over 1100 times. No other ship has come close to reaching this milestone at Onehunga, with fellow vessel MV Milburn Carrier II the next best on the all-time visit list having made close to 950 calls to Onehunga.

The communities who have long supported our operations and local media in both Westport and Onehunga have expressed a wish to acknowledge the final visits.

Glenda Harvey
Country Manager

About Holcim New Zealand

Holcim (New Zealand) Ltd is a leading supplier of cement, aggregates, and ready mixed concrete in New Zealand. Its involvement in the New Zealand building industry dates back to 1888, and today it operates at 23 sites and employs approximately 340 people. It is part of the regional Holcim Australia/New Zealand business and the global LafargeHolcim Group, the world's leading supplier of cement, aggregates and construction-related services represented in 90 countries on all continents.

For further information
Robyn Flynn, 021 663 680