

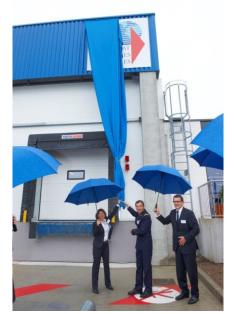
Press release May 29, 2013

# STEF opens a unique site in Nemours to supply food and 45 million meals a year to the French Armed Forces

On May 28, Member of Parliament and Mayor of Nemours, Mrs Lacroute, the French Armed Forces Commissoner Mr Vuillermet and STEF C.E.O, Jean-Pierre Sancier, inaugurated the new STEF Nemours logistics site accompanied by 100 guests..

Entirely dedicated to the Armed Forces Commissiat for its « Metropolitan Supplies » operation, the site is in charge of food supplies to the armed forces on French soil. As a key hub of the STEF / GEODIS logistics partnership dedicated to the French Army Commissariat, the STEF Nemours site stores 8,500 pallets under tri-temperature conditions..

Key figures: 395 points of delivery, 45 million meals per year and over 45,000 tons or canned, fresh, frozen products.





From left to right: Nemours Mayor and MP, Mrs LACROUTE, French Army Commissioner Mr VUILLERMET, STEF C.E.O, Mr Sancier.

In 2005, STEF and GEODIS entered into a partnership to answer the tender of the Armed Forces Commissariat for the setting up of logistics deliveries of food supplies in France. In September 2012, the STEF/GEODIS partnership was again awarded the contract.

The decision to set up the Nemours site was taken 18 months ago to meet the demands of the tender. The objective is to group on one single site all storage, picking and shipping operations for orders from the Armed Forces Commissariat which were previously handled by two sites: STEF Bondoufle (south of Paris) and STEF Salon de Provence (north of Marseille).

The stakes are high: the delivery points send their food orders via a digital portal. Stef/Geodis then groups the orders according to product and supplier before delivering. A particularly high service rate is required in order to avoid any problems or disruptions for a particularly demanding customer.

The Armed Forces Commissariat has 1924 products listed in its catalogue. They are divided into six categories: groceries, drinks, frozen, dairy, fresh meat and vacuum-packaged products. Since 2011, the list has grown longer: frozen festive range, organic, fresh fruits and vegetables, raw meat.

STEF Nemours handles Goods in, storage and order-picking. Goods are delivered from the STEF Nemours site by the STEF / GEODIS partnership in the Parisian region and via 14 STEF regional hubs to the rest of France. In total, over 395 delivery points are managed under the system: military bases for the Army, Air Force and Navy, the medical service and restaurants at the General Assembly, the Ministry of Agriculture and the Military School.

A multidisciplinary team from the STEF / GEODIS partnership handles the administrative tasks, management control and continuous improvement plan in close collaboration with the customer with committees for the monitoring and continuous improvement of the service.

Jean-Pierre Sancier, STEF C.E.O. said: "the Metropolitan Supplies operation is an emblematic example of the cooperation between civilians and the Armed Forces. For this innovative logistics externalisation contract — which concerns an iconic logistical task, supplying troops — the STEF / GEODIS partnership worked extensively to design an optimal strategy and deliver value-added services for the storage, order-picking and supply of almost 400 delivery points. We are very proud of this exemplary public-private partnership which guarantees the consignee a service rate which is equal or even superior to the logistics market standards. The Commissariat of the Armed Forces has quality teams whose demands are very sharp in terms of security and operational efficiency and which encourage us to continually improve our answers to better meet the constantly changing needs of the various branches of the Armed Forces".

### STEF NEMOURS, a restructured site

In October 2011, STEF acquired the site from Picard. Built in 1978, the old site went through a much-needed renovation and partial rebuilding in order to meet new standards. STEF Nemours was developed on the basis of a design shared by all STEF sites: very tight schedules and the most up-to-date refrigeration technology to reduce energy consumption and protect the environment. Part of the original building is at the centre of the new STEF

Nemours site and extensions have been built on both sides: the deep-freezing room, a new ambient room and a refrigerated room with a loading platform. The design and construction were carried out in record time: less than a year for the entire site.

.

## STEF NEMOURS, key figures

Over 50 employees

A logistics site dedicated to out-of-home catering

> 7 000 m<sup>2</sup> built under three temperatures

o Frozen: -22°C

Refrigerated: +2°C / +4°CAmbient: +12°C / +18°C

➤ Volume for storage: 62 000 m³

- Storage capacity for 8 500 pallets
- ➤ A 6 000 m³ refrigerated platform
- Over 45 000 tons of goods transported per year
- 11 hectares of real estate

# About the Commissariat of the Armed Forces and the project « Metropolitan Supplies »

The Commissariat of the Armed Forces is an industry and trade public entity, reporting to the Ministry of Agriculture. It is in charge of supplying armed forces outside of France. In 2002, the mission of the Commissariat was extended to "provide logistics support, services, food and diverse goods to military units in France and abroad. It has become a central contracting agency by decree dated March 11, 2004.

In 2004, the Ministry of Defense wanted to restructure its food supply department. For all defence units. This meant making it easier for companies to be able to access public contracts, particularly for small and medium sized companies which are often excluded from national contracts. It also meant regrouping various public buyers specialised in the same field and to achieve economies of scale by pooling needs. This large project, "Metropolitan Supplies", was the first major project managed by the central contracting agency. To succeed, the Commissariat of the Armed Forces implemented a full externalisation of the supply chain of the armed forces by clearly separating the supply of goods and the logistics service, as well as the associated billing and IT needed to dematerialise orders and their management.

This organisation led to the consolidation of the needs of the armed forces into a unique range for food products, and consequently to:

- > The modernisation of the economic scheme for supplying the forces
- > The rationalisation of the organisation through the mutualisation of existing catering contracting services
- Improved economic efficiency through structural and operational savings
- ➤ The preservation of close links with food retailers combined with an opening towards food producers and manufacturers, from SMEs to multinationals. Free of their

logistics tasks, they could send their products to 350 military restaurants.

Since 2005, the STEF / GEODIS partnership is the logistics operator for the Commissariat of the Armed Forces. Because of the complexity of the system, the STEF / GEODIS partnership has shared the expertise and know-how of two French leaders in transport and logistics to accompany the Commissariat of the Armed Forces in this unprecedented logistical externalisation operation.

The two companies have divided the tasks in this way:

STEF	GEODIS
Supply	Dedicated downstream transport
Sales administration	Ambient upstream transport
After-sales services	Management control
Warehouse operations	Transport management
Non-dedicated downstream Transport	
Upstream frozen transport	

In 2010, the Commissariat of the Armed Forces won first prize for logistics innovation in the category "Most efficient and innovative organisation between a shipper and a transport and logistics operator" at the SITL Logistics Solutions Week

#### **About STEF**

STEF is the European specialist for cold logistics for food and thermo sensitive products. Our mission is to create a safe link between manufacturers and retail outlets. The Group masters and brings together all transport, logistics and I.T. skills necessary for temperature-controlled flows. (-25°C / +18°C). The Group has a presence in 8 European countries (Belgium, France, Holland, Italy, Portugal, Spain, Switzerland and the United Kingdom), and in Tunisia. It has 14 500 employees and a specialized infrastructure: 216 warehouses and platforms and more than 4 000 tractor-trailers, half of them self owned. Group income for 2012 was 2 502,3 M€..

For more information, please go to www.stef.com

Contact press: Catherine MARIE - Tel.: + 33 (0)1 40 74 29 64 - + 33 (0) 6 35 23 10 88

catherine.marie@stef.com