

8 February 2005

Ref: P&O Takeover

Having read your letter on the above, we can make the following comments.

In respect of question 3, with the demise of the P&O service we will only have a choice of two ferry companies on the Western Channel route. Brittany Ferries and Channel Freight, the latter having quite a restricted service available.

The current price for any Brittany Ferry service is approximately £10 higher than that for Channel Freight. However, we do fear that the cessation of P&O will bring an increase from Brittany Ferries. The short crossing of Dover-Calais are about £100.00 less, but the additional cost on mileage far exceeds this, however should the Western routes rate increase enough we would have to seriously reconsider using Dover for our exports, and therefore add to the congestion already being experienced in the South East.

If we are returning from Europe with a load destined for London or the East of the country, we do use the Calais-Dover route. We tend to avoid the tunnel due to price (currently £50 more expensive) plus the lack of driver rest time.

The disadvantage of the Western routes is the lack of motorway connections to Poole or Plymouth, and during summer peak periods capacity can be an issue, ferry space is often given to cars as they carry up to 5 holiday makers eager to spend their money.

I hope the information is of some use for your response to the Competitions Committee.