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Law Offices of Countryman & McDaniel

THE CARGO LETTER [452]

Air & Ocean Logistics - Customs Broker News

25 March 2009

Part 1 of 1

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Good Wednesday Morning from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**" Here is what happened for our industry in March 2009. We mourn the loss of the **FedEx** Flight to **NRT** on March 23 2009.

Today We Mourn the Loss of Flight 80 as **FedEx**, the world's largest cargo airline, suffered its 1st fatal accident on March 23, with the crash of the **Boeing MD-11** jet at Tokyo's Narita airport that killed both pilots. **Capt. Kevin Kyle Mosley**, 54, Hillsboro, Oregon, & **1st Officer Anthony Stephen Pino**, 49, San Antonio, Texas. It was also the 1st fatal accident ever for **NRT**. High winds are suspected.

To help you find what you need -- **FAST** -- there's now a transport search engine installed at our www.CargoLaw.com website!

Contribute your knowledge, stories & company information.....by e-mail to **The Cargo Letter**. We strive to bring you useful information which is timely & topical. Be sure to visit our website.....<http://cargolaw.com>

Archive of **The Cargo Letter** www.cargolaw.com/cl-archives.php

Michael S. **McDaniel**, Editor, Countryman & McDaniel, forwarder/broker/P&I attorneys at LAX.

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OUR "A" Section: Trade, Financial & Inland News***

1. Freight Forwarder Trade Briefs _____

*****London Seminar For Countryman & McDaniel**as on Thurs. April 2, 2009 The Law Offices of Countryman & McDaniel and DeOrchis & Partners, LLP will present: "**Current Developments in U.S. Land, Air & Ocean Transport Law**" at **Trinity House**, London. The event is sponsored by the **Institute of Maritime Law - University of Southampton** and is accredited under the **Law Society's Continuing Professional Development Scheme**. Registration is at 1:30 p.m. and a cocktail party will follow. **Trinity House** was designed by architect Samuel Wyatt, built in 1796 and is headquarters of the official **General Lighthouse Authority & Deep Sea Pilotage Authority** for England, Wales & British territorial waters. Information: info@CargoLaw.com

*****Trade Barriers Begin As Reaction To Crisis** as despite a pledge by G-20 leaders last Nov. to avoid protectionist measures, many countries, including 17 of the G-20, have implemented 47 measures since the financial crisis began that restrict trade at the expense of other countries, according to a new World Bank study. Effects of these measures are likely minor relative to the size of unaffected markets, but they have a significant negative effect on particular exporters shut out of markets, the int'l development organization said. The World Bank recommended that the G-20 take several steps to stem protectionist actions.

*****U.S. Trade Deficit Shrinks** as in Jan. by US\$3.9Bn to US\$36Bn as imported goods & services declined more than exports, the U.S. Commerce Dept. announced March 13. Jan. imports fell US\$11.5Bn from Dec. to US\$160.9 Bn while exports were down US\$7.6Bn to US\$132.5Bn. For goods alone, the trade deficit decreased US\$4.3Bn from Dec. to US\$47Bn. Exports of goods decreased US\$6.5Bn to US\$82.2Bn and imports of goods decreased US\$10.9Bn to US\$129.2Bn.

*****Mexico Retaliates With Trade War** as it announced last week that it intends to impose higher duties on 90 U.S. products, mostly agricultural produce, in response to a provision in the omnibus 2009 appropriations bill recently signed by President Obama that prohibits the Dept. of Transportation from funding a cross-border pilot program established during the Bush administration, which allows Mexico-based trucks to make deliveries in the U.S. Opponents of the program, including the Teamsters union, claimed that the Mexican trucks aren't subject to the same safety standards as their U.S. counterparts. Mexican officials said the plan will affect about US\$2.4Bn in goods from 40 U.S. states. The pilot program was designed to bring the U.S. into compliance with the North American Free Trade Agreement after almost two decades of congressional roadblocks. The World Bank issued a report showing that since the financial crisis erupted in Sept., 47 countries have implemented trade restrictions or subsidy programs to protect domestic industries. It expressed concern that the trend could escalate and lead to tit-for-tat actions that hurt growth in developed & developing countries.

*****China Takes A Hit** as the world's 3rd-largest economy took a harder than expected hit from the global downturn. The figures took markets in the region by surprise and analysts said the gloomy data would deepen concern about how China weathers the crisis despite a massive stimulus package aimed at bolstering the flagging economy. The customs bureau said exports were down 25.7% in Feb. year-on-year, while the trade surplus stood at US\$4.84Bn -- a dramatic reduction from more than US\$39Bn the previous month. The customs bureau said imports had meanwhile dropped 24.1% in Feb. The trade surplus was down by nearly half compared with last year's Feb. figure of US\$8.56Bn. In the first 2 months of the year, Chinese exports declined 21.1% from the same period in 2008. The slowdown has led to the closure of thousands of factories in the country's southern and eastern manufacturing heartlands. Twenty million migrant workers from China's poor rural areas have already been made jobless and growth in the last quarter of 2008 was below the level the government says is need to prevent mass unrest.

*****China Eliminates Export Tax** as its commerce minister has announced that China will lower export taxes to zero in an effort to encourage exporters to increase their share of global trade, reported China daily on March 9, 2009. This move was deemed to be necessary in order to ensure the stable growth of exports and prevent a large drop in external demand. To achieve the goal while encouraging exporters, China has raised value added tax rebates on textiles and garments, while concurrently reducing export taxes for some steel products, as well as corn. According to customs data, exports in Jan. fell by 17.5%, while imports plunged 43.1% from a year earlier.

*****China Fibbed Too Often**as the Canada Border Services Agency (CBSA) published Customs Notice CN09-002 announcing a change to the Canadian Food Inspection Agency's (CFIA) policy on wood packaging material from China. Effective Sept. 1, 2009, CBSA will accept only a valid Int'l Plant Protection Convention (IPPC) mark as a treatment certification method of wood packaging material from China. Chinese Phytosanitary certificates will no longer be

accepted due to "high rates of non-compliance from China".

www.cbsa-asfc.qc.ca/publications/cn-ad/cn09-002-eng.html

*****Your Supplier May Be A Threat** as Panjiva, a company that collects information on global manufacturers, has unveiled its updated Manufacturer Watch List. The Watch List helps U.S. buyers across a wide range of industries manage the risk of doing business globally by distinguishing between risky manufacturers and healthy suppliers of goods and materials, the company said. To be added to the Watch List, manufacturers must suffer a 50% or greater decline in volume shipped to American customers in the most recent 3-month period, versus the same prior-year period. According to its research, 47% of significant buyers have done business with a Watch List supplier within the last 6 months. Unfortunately, many of these buyers may not even be aware of the risk they're facing.

<http://panjiva.com/>

*****Patchwork of Charges** as European shipper & freight forwarder representative bodies expressed dismay at a decision March 12, by European Union parliamentary members over whether individual states in the EU have the right to charge transportation congestion fees. EU ministers in Brussels ratified the so-called Eurovignette III directive, a policy roadmap to green transportation continent-wide. The European Shippers' Council, along with a handful of other advocate groups, have said the new policy will only add cost to freight transportation in Europe without solving congestion or pollution problems. "This result demonstrates either a lack of understanding of the freight transport and logistics industry and how supply chains actually work, or else Parliament hopes to rush through legislation before the economic conditions become so bad that such proposals would not even see the light of day," said good friend of [The Cargo Letter](#) -- Marco Sorgetti, director general of the European association for freight forwarders, known as CLECAT.

www.clecat.org/

*****Warning: Dictator Takes Stronger Hold** as the ruling party of Venezuelan President Hugo Chavez has "voted" to shift control of the country's ports, airports & highways away from states and to the federal government. Chavez ordered naval vessels to patrol the country's ports and warned that state governors who challenged legislation nationalizing the ports would be imprisoned. The move directly affects the country's 2 biggest ports -- Cabello & Maracaibo -- both of which are called on regularly by container services from North America, Europe & Asia. Chavez directly called out the governors of the 2 states that are home to those ports, alleging that corrupt state government officials were allowing drug smuggling to occur at seaports and airports. He said the move to bring the transportation network under the direct control of his government was a national security issue. Critics of the Chavez government see the legislation as a move that will increase the president's power. They say that a vote in Nov. in which the opposition party gained ground in certain states -- including the capital city of Caracas -- prompted the Chavez-controlled National Assembly to bring under national control key infrastructure entities in states where the populace opposed Chavez.

*****Join The U.S. Trade Missions** as the U.S. Dept. of Commerce will mount a trade mission to the African countries of Libya & Algeria from Nov. 4, 2009 to Nov. 8, 2009, to focus on "helping U.S. firms find business partners and sell equipment & services in these markets." 8 to 20 companies will be selected to participate in the mission. The deadline for applications is August 1, 2009. Another trade mission to the South American countries of Chile & Peru will occur from June 1, 2009 to June 5, 2009. 7 to 15 companies will be selected to participate in the mission. The deadline for applications is April 17, 2009.

Libya & Algeria

<http://frwebgate5.access.gpo.gov/cgi-bin/PDFgate.cgi?W AISdocID=98275739373+137+2+0&WAISaction=retrieve>

Chile & Peru

<http://frwebgate6.access.gpo.gov/cgi-bin/PDFgate.cgi?W AISdocID=985550457300+95+2+0&WAISaction=retrieve>

*****Retail Product Notice Required** as the U.S. Dept. of Agriculture's country of origin labeling rule, known as COOL, took effect March 16. The rule, published in a Jan. 15 Federal Register notice, requires that certain agricultural commodities be labeled at retail level to indicate the country of origin. They include: muscle cuts and ground beef (including veal), pork, lamb, goat & chicken -- wild and farm-raised fish & shellfish. -- fresh & frozen fruits & vegetables -- peanuts, pecans & macadamia nuts -- ginseng.

*****Russia Takes A Step Toward Combating Terrorism**..... as a shipment of non-military U.S. cargo destined for Afghanistan has been routed through Russia for the 1st time, a Russian official told the news outlet Agence France-Presse. A U.S. embassy official confirmed to the news agency that the shipment was carrying non-lethal cargo like construction supplies. The U.S. embassy in Latvia said last month that Washington was aiming to send 20 to 30 trainloads of supplies per week to Afghanistan via Latvia, Russia, Kazakhstan & Uzbekistan, the report said. Russia & NATO reached the deal on transit of supplies for Afghanistan in April 2008, but the Aug. war in Georgia prevented the agreement being fully put into practice as ties deteriorated badly. The new route, dubbed the Northern Distribution Network for NATO forces in Afghanistan, could be crucial as supply lines from the east in Pakistan have been repeatedly interrupted by terrorist & insurgent attacks. Germany is also expected to use the Russia to Afghanistan route for troop supplies.

*****Teamsters Fight Safety?** as a coalition of interest groups has again launched a formal legal challenge in a Washington appeals court to the government's hours-of-service rules for commercial drivers. The rules allows drivers to be behind the wheel for up to 11 hours a day — one more than before — but cuts the allowable workday by one hour, to 14 from 15. These groups — the Teamsters union, Public Citizen & others — acted, despite the fact that highway safety has improved since the current hours rule went into effect. For 3 straight years, truck-involved fatal crashes have declined to the lowest levels since the Dept. of Transportation began keeping these records. But these groups refuse to credit the improvement in safety to the rule, instead choosing to force the Federal Motor Carrier Safety Administration & others at DOT to spend their energies defending the rules — energies that could be put to better use.

*****J.B. Hunt Transport Services In Sell Off** as the giant U.S. trucker is selling some equipment as demand for over-the-road shipments remains soft in a down economy, but plans to boost its intermodal & brokerage businesses. It will reduce the size of its truck segment & will sell about 1,100 trailers, according to a report the company filed with the Securities & Exchange Commission late last month. Trucks with Environmental Protection Agency-mandated engines since 2007 have boosted costs of operating the tractors by 10%, the company said in the filing. The truckload carrier reported US\$3.7Bn in revenue last year, 52% of revenue came from the intermodal segment. J.B. Hunt's truck segment revenue declined 19.6% last year from 2007, to US\$676M.

www.jbhunt.com/

*****Full Circle Marine & Transport** as a new marine insurance venture is being set up by **Sam Ignarski** & a team that was previously involved with providing intermodal & professional negligence cover at British Marine. Full Circle Marine & Transport will provide cover underwritten by Mitsui Sumitomo Insurance Syndicate #3120 in the Lloyd's of London market. Ignarski has been involved in a succession of ventures of this type but he says he has never left red ink behind when he has moved on. "I just love the business. I can't keep away," he added.

<http://fullcircleuw.com/>

*****BAX Global - Now Schenker** as with the completion of the integration of BAX Global operations, the U.S. operations will now carry the brand name of parent DB Schenker. Two years after its purchase by Deutsche Bahn AG, BAX Global has been successfully integrated into DB Schenker and will shed its former name in favor of the DB Schenker brand. Only the Container Freight Station in Toledo, OH will carry the BAX Global name. It will function as a separate legal entity, BAX Global Inc., and will focus on serving the wholesale community of air cargo users as a

neutral provider handling primarily domestic cargo under its BAX Forwarder Network program, said Schenker. DB Schenker in the USA has 140 branch locations.

*****Schenker Vietnam Co. Opens SE Asia** as its Vietnam partner Gernadept has opened a US\$5.5M facility in the Song Than Industrial Park I of Binh Duong Province, close to high-tech and industrial zones in Binh Duong Province & Ho Chi Minh City.

*****Kuehne + Nagel Wraps Norway Oil & Gas**..... as the Swiss logistics firm said it will buy J. Martens Holding AS, a Norwegian service provider to the oil & gas industry. Martens had revenue of about US\$184M last year, J. Martens has operated for 125 years also has operations in markets such as Singapore, Great Britain and the Netherlands.

*****How U.S. Transport Highways Are Numbered** as many new cars offer navigation systems to help owners reach their destinations -- but most of us still depend on the signs along the highways. We take them for granted, but they weren't always there. By the 1920s, the number of vehicles was growing rapidly, but road transport was a nightmare. There were no standard signs on the nation's 3 million miles of roads and many had no signs at all. This month 84 years ago, state and federal officials met to solve the problem. They came up with standard signs & numbers -- highways running north & south had odd numbers and those going east & west were given even numbers. Today, there are 4 million miles of roads in the U.S., about 47,000 of them in the Interstate Highway System.

*****Postcard Arrives In Ohio 47 Years Late** as woman's postcard bearing greetings from Montana has finally arrived in northeastern Ohio — 47 years later. Insurance agent Dave Conn opened his post office box in the community of Hudson on March 5 and found the mailing sent from Helena, Mont., in 1962. It was sent to Marion White, the previous renter of the box, who had died in 1988. The writer signed the postcard "Fran" and mentioned having "had a marvelous time in Montana." After asking around, Conn says he determined the card must have come from White's well-traveled friend Frances Murphey, a longtime reporter at the Akron Beacon Journal. She died in 1998 at age 75. A U.S. Postal Service spokesman says the postcard may have been stuck in equipment or lost behind a mail chute. Go postal!

*****Awake If Your Eyes Are Burning** as police in southwest China are spicing up drivers with raw chili in a bid to stop them falling asleep at the wheel, a newspaper said March 11. Police in the Chongqing region have started serving drivers chili peppers at highway service stations, holding to the traditional Chinese belief that people often feel more sleepy in the Spring, the Chongqing Evening News said. Most of the drivers are from neighboring Sichuan, Yunnan and Hunan provinces, where chilies are a local favorite, it added. "It's really good to have some hot peppers when you are tired from driving," van driver Chen Jun was quoted by the newspaper as saying. "They make you alert." China's roads have long been among the most dangerous in the world due to overloaded & speeding trucks and drivers who switch lanes without signaling and often ignore traffic lights.

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2. The Cargo Letter Financial Page _____

****Cathay Pacific.** DOWN as it lost a record US\$1.1Bn in 2008

****CEVA** [Dutch logistics giant] DOWN with a net loss of US\$170M in 2008 compared to a net loss of US\$267M in 2007.

****FedEx Corp.** DOWN with a profit of US\$97M for its 3rd quarter ending Feb. 28, down 75% from same period last year.

****Kuehne + Nagel Group.** UP with net profit of US\$498M in 2008, a 9.1% increase over the prior year

****Navistar Int'l Corp.** UP with profit of US\$234M, or US\$3.27 per share, for its 1st fiscal quarter, compared with a loss of US\$65M, or 92 cents, a year ago.

****Panalpina.** DOWN with net profit of US\$98.3M in 2008, a 46% drop from the same 2007 period.

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OUR "B" Section: FF World Air News***

3. Freight Forwarder World Air Briefs

*****Air Cargo Plunge** as after a shocking 22.6% decrease in Dec. 2008, global cargo traffic slid a further 23.2% in Jan., according to IATA. In Dec. 2008, IATA forecast 2009 freight volumes to fall 5%. Combined with a decrease in yields, this would result in a 9% drop in freight revenues to US\$54Bn. "The continued decline in cargo markets is a clear sign that we have not yet seen the bottom of this economic crisis," IATA Director General Giovanni Bisignani said.

*****Air Cargo Screening Falls Short** as the Transportation Security Administration cannot yet verify its claim that it has successfully met the Feb. 1 congressional mandate to screen half of all air cargo on passenger aircraft, but is developing a system to do so, the Government Accountability Office said in a new report. The Homeland Security agency, last Oct., ordered airlines to screen all cargo placed on narrow-body planes, instituted a Certified Cargo Screening Program (CCSP) under which shippers or freight consolidators screen cargo at their own facilities and started a pilot program for a dozen freight forwarders to test various screening technologies in 48 facilities serving major airports. As of early March, TSA has certified 217 screening facilities, including 21 independent outsourced cargo screening facilities and 14 shipper facilities. TSA estimates that its own ability to screen cargo with inspectors & canine teams will increase to about 6% of cargo volume by the 2010 deadline, up from 4% today. It is in the process of adding 48 explosives detection canine teams dedicated to air cargo to the 37 teams it already has in place at 20 major airports.

*****100% Cargo Screening Challenged** as IATA Director General & CEO Giovanni Bisignani called U.S. plans to implement 100% cargo screening "misguided" and urged supply chain industry officials to convince US decision makers to take a more global view. "We need a globally coordinated approach that looks at the entire supply chain," Bisignani told 700 industry officials at IATA's World Cargo Symposium in Bangkok this month. Noting that cargo demand "has fallen off a cliff," Bisignani asked global supply chain executives to mount a strong effort against the tighter screening rules set to begin in Aug. 2010. "The industry is in crisis and nobody knows that better than our cargo colleagues," Bisignani said. The way to overcome the setback is through improved security, delivering better products and boosting efficiency, he added. But scanning everything loaded onto the aircraft "is a waste of precious resources," Bisignani said. To be effective, he said, "we must identify the risks involved with a supply chain approach." IATA's Secure Freight strategy focuses on a risk-based approach with shared responsibility throughout the supply chain.

*****Less Delta Airlines** as it has announced plans to reduce int'l capacity an additional 10% beginning in Sept. These reductions will be targeted to areas where Delta has seen the most revenue weakness - the Atlantic and Pacific networks. Trans-Atlantic capacity this winter will be down 11% - 13% and trans-Pacific down 12% - 14% compared to winter 2008. To achieve these capacity changes, Delta will exit low performing markets, down-gauge certain routes, adjust frequencies & move some markets to seasonal service. These reductions are in addition to the Dec. announcement to reduce systemwide 2009 capacity by 6% - 8% year-over-year. As a result of the voluntary programs just concluded, nearly 2,100 Delta employees will be voluntarily leaving over the next several months.

*****Cathay Pacific & Sister Dragonair Fall In Line** as they saw tonnage fall 16.7% during the month, to 100,906 tons, while capacity fell by the same percentage. The airline's load factor rose 0.1% to 64.7%. Year-to-date, tonnage has fallen 19.4% compared to a capacity drop of 16.3%.

*****When Economy Falls -- They Steal** as the Transported Asset Protection Assn. (TAPA) says the global recession will lead to an increase in cargo crime. Preliminary 2008 statistics for

Europe, the Middle East and Africa (EMEA) show 3,756 incidents with a total loss value of more than US\$213M. TAPA says more than 10% were 'major incidents' with 72% from the UK. Spain & Germany were the 2nd & 3rd highest reporting crime areas. With a 50% increase in reported thefts last year, TAPA says consumer electronics, food, metal, clothing & footwear were among the most frequently stolen products.

*****Air France-KLM Get World's Largest Cargo Aircraft** as anticipating the progressive replacement of its current plane, the airline moved to incorporate the new B777F that it says, "integrates" perfectly with its current fleet because of "commonality." The same flight crews are able to fly both passenger & freighter planes. There is some interchangeability of parts between older & newer planes. The maximum payload of the B777F is 103 tons. The plane's main deck can handle a maximum of 27 10-foot pallets or 11 20-foot pallets. Belly cargo in the B777F is similar to that of passenger models, however its floor has been reinforced to handle heavier loads. Belly capacity is 10 pallets. The new freighter produces 18% less CO2 emissions compared to the B747-400 currently being used by the airline.

*****Mexican Stimulus** as the U.S. Trade & Development Agency has awarded a US\$630,000 grant to OIB Aeropuerto to promote the construction of a new airport in NW Mexico. The grant will be used to develop a "roadmap" for a greenfield int'l passenger & cargo airport in Ensenada, USTDA said. The airport will replace Ensenada's small general aviation airport (El Cipres), which is surrounded by the city & cannot be expanded further, and to serve as both secondary airport to Tijuana, located 80 kms. to the north and unwanted competition for San Diego Int'l Airport. The new Ensenada airport will eventually serve as a cargo & logistics hub for NW Mexico

*****South African Airways Joins Tech Group** as it has become the 29th airline & 3rd African business to join Cargo 2000, an Int'l Air Transport Assn.-sponsored standardized management system. Cargo 2000 is designed to improve cargo service by streamlining processes, establishing performance indicators and automating costly manual, paper-based functions. In addition to airlines, Cargo 2000's membership includes forwarders, ground handlers, trucking companies & information technology providers.

www.iata.org/whatwedo/cargo/cargo2000/

*****AMI At DFW** as the large neutral air freight consolidator, has opened its 5th U.S. office at Dallas-Fort Worth Airport, its first U.S. expansion since it acquired UAC & its 4 U.S. offices in April 2007. In addition to the U.S., AMI has operations in Australia, New Zealand, China, Hong Kong, the UK, South Africa & Germany.

*****Look Out Below!** as a Philippine flight with 80 passengers aboard was seconds away from a crash when a man teaching his girlfriend to drive sped across the runway as the aircraft landed, newspapers reported March 17. The Cebu Pacific plane briefly touched down at Legazpi airport in the central Philippines but took off again as the van being driven by the couple crossed the runway, the Philippine Star newspaper said. The man is the son of a local aviation official, who has been ordered suspended from duty. "It could have been a disaster if not for the presence of mind of a veteran pilot," Legazpi Mayor Noel Rosal told the newspaper.

*****Boxed In?** as a magician who posted videos online detailing a "trip" he made in a crate aboard a cargo plane from upstate New York to Las Vegas admitted March 10 that it was an elaborate hoax. "It was a publicity stunt right from the start," said Wade Whitcomb, of North Syracuse, after federal officials declared the event a hoax. "The FBI spoke to Whitcomb; he did not ship himself anywhere. We have no further interest in this," FBI spokesman Richard Kolko said. Whitcomb had claimed he folded himself into a cramped wooden crate for the 26-hour trip on a UPS truck & a UPS plane. He posted a series of videos online of the purported trip shot with tiny cameras pointed out of the crate & one inside focused on him. Whitcomb, who goes by the stage name Wade Live, claimed he made the trip last Nov. to publicize a buddy's Web site. The Transportation Security Administration and the FBI investigated Whitcomb's claim, saying it would

violate a number of laws. The Atlanta-based UPS Inc. also investigated. UPS spokesman Dan McMackin said he couldn't verify the claim. "To me, it seems like a publicity stunt and, therefore, I think it could be a hoax," he said.

<http://celebgalz.com/wade-whitcomb-wade-live-hoax-whitcomb-live-didnt-ship-himself-video/>

*****Don't Sniff My Leg** as a 66-year-old passenger who arrived at Barcelona airport in a wheelchair & with a leg cast made entirely of cocaine was arrested on March 6, as he tried to get through customs. The man, flying from Santiago, Chile, also had cocaine stashed in 6 cans of beer & 2 folding stools in his luggage, the Interior Ministry said. Police confiscated nearly 5 kilos of the drug in total. Police believe the man, or his accomplices, may have broken the leg on purpose so as not to arouse the suspicions of customs officials. Spain is the primary entry point for cocaine into Europe & is the largest consumer of the drug in the EU.

*****Rumble Down Under** as in a scene right out of a gangster movie, 2 motorcycle gangs started beating each other with poles and other heavy items at Sydney airport killing one gang member on March 21. Police believe that when one gang exited their plane, they were "greeted" by members of a rival gang, who began to beat them with the metal poles that are used to keep passengers in line at the check in desk. Onlookers describe watching in horror as gang members repeatedly smashed into the head of a man lying on the ground. About 50 passengers witnessed the horror, which the police described as "a disgraceful act by a group of cowards".

*****Dead As A Mackerel** as employees of a Pennsylvania pet store expecting a shipment of tropical fish and salt water got a man's dead body instead. Mark Arabia owns the Pets Plus store where the mix-up was discovered March 10. He says he learned the body was that of a 65-year-old San Diego-area man who died of early onset Alzheimer's disease. The body was supposed to go to a research laboratory in Allentown, a 70-mile drive away. US Airways Inc. released a statement saying the air cargo problem was caused by a "verbal miscommunication between a delivery driver and the cargo representative." The Tempe, Ariz.-based airline said it's deeply sorry. The fish were shipped in 3 boxes. The corpse was shipped in a wooden coffin wrapped in cardboard. Arabia said the fish were left at the airport & probably died.

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OUR "C" Section: FF World Ocean News***

4. FF World Ocean Briefs

*****Crashed Economy -- Vessel Layups** as about 484 containerships with 1.4 million TEUs in capacity are in layup, reports the latest survey by the information service AXS Alphaliner. The company said that 11.3% of the world cellular fleet is in layup as of March 16. Vessels looking for a place to anchor are beginning to pile up in Subic Bay, Philippines, according to a Bloomberg report on March 5. As anchorages in Hong Kong & Singapore fill up due to an unprecedented number of vessel layups in recent months, ship owners are looking for new places to park unneeded containerships. Officials at Subic Bay, a U.S. Naval Base until 16 years ago, said 19 vessels are laid up and they are expecting another 8 this week. AXS-Alphaliner said that while the number of ships being idled is growing, the pace of layups has slowed. "It now remains to hope that the next peak season, which should kick off in May or June, maintains the positive momentum, if -- and it is a big if -- consumer confidence rebounds." AXS-Alphaliner said fruit exports from the southern hemisphere will have a positive effect, employing 20 ships with 35,000 to 40,000 TEUs of capacity in aggregate, AXS-Alphaliner noted about half the ships in layup, around 243, are charter market ships awaiting employment & have total capacity of just 370,000 TEUs. In contrast the other 241 ships are either owned or chartered & controlled by carriers and have total capacity of 1.04 million TEUs.

www1.axsmarine.com/public/axs-alphaliner.php

*****Revenue Hit - Rates Must Rise** as the Drewry Container Freight Rate Insight report this month suggests that slumping rates during 2008, and from Nov. to Jan. in particular, have

significantly eaten away at the carriers ability to generate revenue. Based on Drewry's calculations for total container volume in 2008, it means ocean carriers jointly could see nearly US\$70Bn in revenues taken away by declining rates in the coming year. Container rates on shipments from Asia to the U.S. fell 12.1% between Nov. & Jan. (to US\$1,681) and 14.3% between Jan. 2008 & Jan. 2009. Rates from Asia to Europe dipped much more dramatically, falling 42.2% between Nov. & Jan. (to US\$1,232) & 68.7% between Jan. 2008 & Jan. 2009.

www.drewry.co.uk/publications/view_publication.php?id=310

*****Up They Go** as Transpacific container lines said March 17, they must secure rate increases in the upcoming contract year to avoid "unsustainable conditions which will threaten to destabilize the trade." The Transpacific Stabilization Agreement, a discussion agreement among 14 container carriers in the eastbound transpacific trade, said they will work "on an individual and non-binding basis" to let expire reduced short term/spot rates by the end of June and "establish rates going forward in 2009-10 contracting at levels US\$500 to US\$600 per 40-foot container (FEU) above the low levels that some rates deteriorated to over the last few months." TSA members are APL, China Shipping Container Lines, CMA CGM, COSCO Container Lines, Evergreen Line, Hanjin Shipping Co., Hapag-Lloyd, Hyundai Merchant Marine, "K" Line, Mediterranean Shipping Co., NYK Line, OOCL, Yangming Marine Transport Corp. & Zim Line.

*****APL Takes Huge Hit** as Neptune Orient Lines said cargo volumes being handled by its APL subsidiary in the 1st 6 weeks of 2009 were 35% lower than what was handled in the same 2008 period. In its regular monthly operational update, the company said volumes for Dec. 27 through Feb. 6 totaled 188,400 40-foot equivalent units compared to 289,400 FEU the prior year. Average revenue per FEU also fell 11% to US\$2,646 per FEU from US\$2,989 per FEU in the comparable period a year earlier.

*****Maersk Line Says It Will Survive** as CEO Eivind Kolding told Reuters on March 9, that the ocean carrier he heads will remove as many as 25 vessels from service in 2009, and that there won't be a single liner carrier that will make a profit this year. "More likely than not we will see all liner companies in red territory in 2009," Kolding told the news agency. "Most likely, some liner companies will have to cease business if freight rates do not come up. I have no idea who that will be, because we are all different, but it will not be Maersk." The company cut its workforce by 4,500 people in 2008 and is closing a Maersk Line service center in China at the end of the year were major parts of reductions.

*****Maersk Line Thinks Rates Can Stay Up** as it believes impending rate increases in the major Asia-Europe container trade can be enforced, despite an expectation that cargo volumes will continue to fall throughout 2009. The company's need to make rate increases stick is underlined by the latest research by Fearnley Fonds, which forecasts that parent group AP Moller-Maersk will sustain an adjusted net loss of \$858M, mainly driven by a deficit of US\$1.9Bn in its containers business. On April 1, Maersk Line plans to increase the main port rate by US\$250 per TEU with the out port rate — that where a feeder service is involved — going up by US\$300. On July 1, rates will be lifted by US\$300 & US\$350 per TEU, respectively.

*****But Newbuildings Threaten Rate Uptick** as the world fleet of dry bulk & general cargo vessels is expected to continue growing through 2012, in spite of weak freight rates & general overcapacity of tonnage, as new ships on order are delivered from shipyards, according to the latest Shipbuilding Market Forecast from Lloyd's Register - Fairplay Research. While scrapping of existing ships will also increase, it will not be sufficient to offset the massive influx of new ships, resulting in a net growth of tonnage in most segments of this market, which includes dry bulk carriers, general cargo ships, refrigerated cargo ships & dry cargo barges. The report notes that much of the current capacity consists of relatively new tonnage with plenty of years left in their service life, thereby slowing the removals to the scrap yards. The newbuilding orderbook for dry bulk carriers now comprises 3,359 ships totaling 292 million deadweight tons (dwt), equal to 70% of existing fleet capacity. Even though bulk ship orders are highly exposed to cancellations & delayed delivery, this is accounted for in the forecast. "Even if deliveries are to be cut by half, bulk

supply growth is still expected to outpace demand growth in 2009 & 2010, which will affect freight rate development trends negatively," said Niklas Bengtsson, Project Manager & Senior Consultant, Lloyd's Register - Fairplay Research. Likewise, the general cargo segment is expected to continue growing at 3.5% annually through 2012. As in the dry bulk segment, when older ships are replaced, the new ones tend to be substantially larger in capacity due to the economies of scale.

*****Cancel My Order!** as a March 2 Clarkson report states only 9 orders for new ships were made in Jan. worldwide, 6% of last year's 151 ships, according to the global shipbuilding industry researcher.

www.clarksons.com/

*****Out With The New - In With The Old** as U.S. demand for used construction equipment is helping to offset the slump in transatlantic car shipments that has hit the deepsea vehicle trades. Japan's K Line has phased in larger pure car & truck carriers on to the Atlantic & restructured its service network in response to changing trade patterns.

*****TWIC Enrollment Soars** as 1M port & longshore workers, truckers & others at ports across the nation have enrolled in the Dept. of Homeland Security's Transportation Worker Identification Credential (TWIC) program. The program's goal is to ensure that any individual who has unescorted access to secure areas of port facilities and vessels has received a thorough background check and is not a known security threat. Today, 36 of the 42 Captain of the Port Zones across the U.S. require workers to have a TWIC. All ports must be in compliance with credential requirements by April 14. Port security personnel are trained to ensure workers have valid cards and Coast Guard officials are conducting random compliance inspections at these ports. More than 150 fixed enrollment centers will ultimately vet more than 1.2 million maritime transportation system workers by the April deadline. **To pre-enroll for TWIC online:**

www.tsa.gov/twic

<http://homeport.uscg.mil/>

*****Japan Fights The Pirates** as 2 Japanese naval vessels set sail on March 14 to combat piracy off the coast of Somalia. The two warships, each carrying about 200 crew members and 2 helicopters, will escort vessels carrying Japanese cargo or passengers through the Gulf of Aden. Japan's rules of engagement limit the ships to firing warning shots if they encounter pirates except for self-defense, but the government submitted an anti-piracy bill to Parliament that would give permission to vessels to use force if pirates ignored repeated warnings to cease an attack. The bill would also allow Japanese ships to protect any int'l vessel from pirates.

*****Sucking Gas** as one strategy touted to fight global warming is carbon sequestration, capturing carbon dioxide from power plants & then injecting it underground, using it in some cases to enhance recovery of hydrocarbons. Maersk Tankers said last it is prepared to enter the market by operating gas tankers ships to transport carbon dioxide. Maersk Tankers said in a statement issued at the Int'l Scientific Congress on Climate Change in Copenhagen that it has examined the business case for entering into the CO₂ transportation market for either offshore storage or enhanced oil recovery (EOR), using CO₂ to increase oil recovery rates in maturing fields. Maersk said its studies have found more than 750 million tons of CO₂ are emitted from large stationary power plants close to the sea in the North Sea region alone. It said 15 handysize gas carriers with capacity of 20,000 cubic meters could transport more than half of Denmark's annual CO₂ emissions for storage in the North Sea, the equivalent of all CO₂ from large Danish stationary emission sources. Maersk said transporting CO₂ by sea is cost-competitive and more flexible than pipelines on longer distances or in smaller quantities.

*****On Track & On Time** as the Panama Canal Authority (ACP) continues to press ahead with the start of the bid process for the most important project under its Expansion Program – the construction of the new set of locks. On March 3, the ACP received proposals from 3 consortia competing to design and build the new, modern and state-of-the-art locks on the Pacific and

Atlantic sides of the Panama Canal. The 3 consortia that submitted bids included: Consorcio C.A.N.A.L; Consortium Bechtel, Taisei, Mitsubishi Corporation & Consorcio Grupo Unidos por el Canal. The ACP will evaluate the proposals & will award the contract for best value – 55% for the technical aspect and 45% for the bid price. The envelopes containing the price proposals, including the ACP's owner's price, were signed by the Notary Public, the ACP Contracting Officer & the Canal's Inspector General and were placed in a box & moved to Panama's National Bank to be locked in a vault – in an independent & secure environment.

*****Fallen** as Capt. John Joseph Cota, a California ship pilot, pleaded guilty on March 6 to negligently causing the discharge of approximately 53,000 gallons of oil into San Francisco Bay in violation of the Oil Pollution Act of 1990, a law enacted in the wake of the Exxon Valdez disaster. Cota, who piloted the [M/V Cosco Busan](#) when it hit the San Francisco Bay Bridge on Nov. 7, 2007, also pleaded guilty to violation of the Migratory Bird Treaty Act for the death of protected migratory birds. If the plea terms are accepted by U.S. District Court Judge Susan Illston, Cota will be sentenced to serve between 2 & 10 months in prison & be fined between US\$3,000 to US\$30,000. "John Cota was an experienced ship pilot that was handsomely compensated for his special knowledge of ships & expertise in local waters. His failure to act prudently under the circumstances caused a major environmental disaster that could have been far worse," said the U.S. Attorney for the N. District of California.

*****Matson Navigation Co. Gives U.S. A Lift** as it will add the South China port of Xiamen to its China-Long Beach Express (CLX) service in May. The company said it would maintain calls at Ningbo & Shanghai and transit times from those ports to California. Matson offers 10-day transit from Shanghai to Long Beach & 13 days from Ningbo to Long Beach. Matson is unique in the transpacific trade in that the U.S. company operates a service that encompasses both the U.S. domestic ports of Honolulu & Guam on its westbound leg and the China ports of Ningbo & Shanghai on its eastbound voyage

*****Welcome Back U.S. Lines!**.... as CMA CGM in May will launch 2 new services under its U.S. Lines brand, offering fast transit times between Singapore & Busan, among other Asian ports, to the Pacific Northwest & U.S. East Coast. The move is a bit of a surprise in that it was thought that the U.S. Lines name was going to be phased out by CMA CGM after it acquired the company in 2007.

www.shipusl.com/

*****DHX-Dependable Hawaiian Express** as the freight forwarder specializing in serving Hawaii, Guam & the nations of the South Pacific, has appointed Pacific Forum Line Ltd. as its exclusive agent on the island of Tonga. DHX recently closed its own facility on Tonga, but will now use Pacific Forum Line, a multigovernment enterprise operating in the Pacific region for the past 27 years. It is jointly owned by the governments of Australia, New Zealand, Fiji, Tonga, Samoa, Niuen, Papua New Guinea & Nauru and was set up to facilitate trade among the South Pacific island nations. Tonga, formerly a British colony & now an independent nation, imports almost all of its manufactured products. The island's exports consist primarily of agricultural & fish products. DHX is a division of Rancho Dominguez, Calif.-based DGX-Dependable Global Express.

www.dhx.com/

*****Bad Call** as Hawaii's Supreme Court on March 16 ruled that a state law allowing a high-speed ferry to operate while an environmental study was being conducted was unconstitutional. Hawaii Superferry has consequently ceased operations.

http://en.wikipedia.org/wiki/Hawaii_Superferry

******"Flotsametrics and the Floating World"** as the latest book of our dear friend, Dr. Curtis Ebbesmeyer has been released. Curt is known to readers of our website as "Dr. Beach." Part oceanography lesson, part memoir, this cheerful book examines Ebbesmeyer's life & work as a pioneering oceanographer (the first to work for Mobil/Standard Oil, in 1969) and connoisseur

of beach-combed artifacts. His primary interest is ocean currents, especially gyres—great circular, interlocking currents that sweep the Earth's waters with clockwork regularity—and the flotsam they carry around the planet. Everything from athletic shoes & bathtub toys to messages in bottles & corpses have provided data to help Ebbesmeyer trace currents. He recounts how flotsam guided colonization and exploration, from Norse explorers to Christopher Columbus (the 1st to master the North Atlantic Subtropical Gyre).

www.flotsametrics.com/

*****U.S. Port Crash** as for the U.S. generally, ports surveyed handled 1.05 million TEUs in Jan., the most recent month for which actual numbers are available. That was down 14.6% from Jan. 2008, making Jan. the 19th month in a row to see a year-over-year decline. Feb., traditionally the slowest month of the year, was estimated at 1 million TEUs, down 17.7% from 2008. March is forecast at 1.07 million TEUs, down 7.4% from a year earlier. The good news is that low volume has left the ports with an excess of capacity that means the cargo coming through is moving without congestion from the harbor.

*****Pacific Meltdown** as the Port of Long Beach said total container traffic in Feb. was 318,042 TEU, down 40% from the same period the prior year. The Southern California port said it has handled about 2.3 million TEUs in its current fiscal year that began in Oct., down 20% from the prior year. The Port of Los Angeles also reported sharply lower container volumes, saying Feb. volumes were 32.6% lower than Feb. 2008. In addition to the global recession, Feb. container volumes are also impacted by factory closures during Chinese New Year, which were extended in many cases due to the economic slow-down. As a result of the slow-down, PierPass announced that the marine terminal operators of the Ports of Los Angeles & Long Beach will each eliminate one OffPeak shift per week. The new schedule, effective April 6, 2009, will be altered so that each terminal will close for either a Thurs. or Sat. OffPeak shift.

www.pierpass.org

tmf.org/Documents/OffPeak_Schedule_Change_Press_Release%203.12.09.pdf

www.pierpass-tmf.org

*****More Bad Pacific News** as rising retirement & benefit costs for dockworkers could soar in the next fiscal year because of the sharp drop in container freight volumes, the Pacific Maritime Assn. said. Even if cargo volumes were flat, man-hour & TEU rates were slated to increase by 20% to cover rising pension, medical and other benefit costs, said the PMA, which represents shipping lines & terminal operator employers. But with a projected 15% decline in container volumes for fiscal year 2009 compared to fiscal year 2008, and a similar decline in man-hours for dockworkers, costs are likely to explode. In a bulletin issued last month, the PMA said assessment rates could climb 66% to US\$35.73 per man-hour & 69% to US\$37.78 per TEU. PMA warned the industry that "increases of this magnitude would have a negative impact on the competitiveness of the West Coast operations & could create additional issues for their future viability.

www.pmanet.org/

*****Pioneering Seafarer Dies At 93** as the 1st woman to become a licensed ship captain in North America died last week at her home in Bangor, Maine. **Molly K. Carney**, whose maiden name was Molly Kool, obtained her captain's papers in 1939 and sailed for 5 years between Alma, New Brunswick & Boston. She grew up in Alma & learned to become a seafarer from her father, a Dutch ship captain. She made history by becoming a captain at the age of 23.

*****This Month In U.S. Navy History**

1815 - **USS Hornet** captures **HMS Penguin** in a battle lasting 22 minutes

1833 - CDR Geisinger of Peacock negotiates first commercial treaty with King of Siam

1898 - **USS Oregon** departs San Francisco for 14,000 mile trip around South America to join U.S. Squadron off Cuba

1898 - **USS Holland**, 1st practical submarine, launched

1917 - All American merchant ships to be armed in war zones.

1922 - [USS Jupiter](#) recommissioned as [Langley](#), Navy's 1st aircraft carrier
1942 - In a PT Boat, Lt. Cmdr. John Bulkeley leaves Philippines to take Gen. Douglas MacArthur to Australia.
1959 - [USS Skate](#) (SSN-578) surfaces at North Pole

*****Maersk Defends The Fleet** as the U.S. Defense Dept. says China harassed Navy ships. Five Chinese vessels shadowed & aggressively maneuvered close to the [USNS Impeccable](#) in the South China Sea on March 8. The T-AGOS oceanographic ship was 70 miles S. of Hainan Island conducting routine operations in int'l waters when the ships approached. [USNS Impeccable](#) is operated with a civilian crew for the Military Sealift Command by Maersk Line Ltd. of Norfolk, Va., an arm of the A.P. Moller - **Maersk Group** that provides U.S.-flag transportation, ship management & technical services to government & commercial customers. The Military Sealift Command said there were 25 contract mariners & 25 military personnel on the ship. Crew aboard [USNS Impeccable](#) used fire hoses to spray one of the vessels as a protective measure. The Chinese crew disrobed to their underwear & continued closing to within 25 feet. A Chinese frigate crossed the bow of [USNS Impeccable](#) at a range of about 100 yards March 5.

***[USS Boxer](#) (LHD 4) **Has The Flag** as she has joined Combined Task Force 151 -- the Somalia anti-pirate patrol, as the flagship.

www.navy.mil/dnu.asp?id=12308

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5. The Cargo Letter Cargo Damage Dispatches
****Back By Popular Demand****

We're sorry, but there were so many sinkings, explosions, pirate attacks, fires, cargo mishaps, battles on the water & other disasters at sea that we do not have room to print even the highlights this month. [Many people lost their lives at sea this month!!](#)

But you can read all this month's disaster news at our special Internet web feature which provides full details of each event -- our **Vessel Casualties & Pirate Activity Database**. Bookmark the site and visit every day! Updated twice daily.

www.cargolaw.com/presentations_casualties.html

SPECIAL NOTE: Please view the dramatic new pictures at our special "**Gallery of Cargo Loss**" website feature.

www.cargolaw.com/gallery.html

See our new feature for March 2009: "**Miracle At Schiphol**" - Flight TK 1951 - March. 2009
www.cargolaw.com/2009nightmare_schiphol_cra.html

Our other new feature for March 2009: "**Do Not Chill**" - FedEx life with the ATR-42 - March. 2009
www.cargolaw.com/2009nightmare_fedex08.html

See our newest photo feature "**Singles Only**" - Transportation Disasters Told In A Single Photo!
www.cargolaw.com/2000nightmare_singles.only.html

NOTE: The historic dangers of carriage by sea continue to be quite real. **Shippers must be encouraged** to purchase high quality marine cargo insurance from their [freight forwarder or customs broker](#). It's dangerous out there.

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OUR "D" Section: FF in Cyberspace***

6. The Cargo Letter "Cyber Ports Of Call"

Here are our suggested world wide web sites of the week for your business, your information and your amusement.....

Cargo & Trade>>>>>

Austrian Trade Promotion Organization
<http://advantageaustria.org/>

AXS Alphaliner Cellular Fleet Forecast
www.docstoc.com/docs/4913455/AXS-Alphaliner-Cellular-fleet-forecast-This-table-provides-a

Best Truck Stop Exit Guide
www.crbookcompany.com/

How to Capitalize on Importer Security Filing (10+2)
www.inboundlogistics.com/how/how_ies_1108.shtml

How to Streamline Import Documentation
www.inboundlogistics.com/how/how_ies_1107.shtml

Mexican Assn. of Trucking Companies (CANACAR)
www.canacar.com.mx/qospage/wb/CANACAR/CANA_ini

Overseas Business Etiquette Guide
www.kwintessential.co.uk/resources/country-profiles.html

State of The U.S. Coast Guard Video
http://cgvi.uscg.mil/media/main.php?g2_itemId=484202

Top 100 Container Fleets
www1.axsmarine.com/public/publicTOP100.php

Trade Finance in Developing Countries
www.intracen.org/dbms/CL_Search/CL_Search.Asp?DS=DATAFIN

U.S. Customs & Border Protection Quota Book Transmittals (QBTs) ... opening & closing dates & quota levels
www.cbp.gov/xp/cgov/trade/trade_programs/textiles_and_quotas/qbts/

U.S. Foreign Trade Statistics
www.census.gov/foreign-trade/www/

U.S. Schedule B Export Codes
www.census.gov/foreign-trade/schedules/b/

PRODUCTS>>>>>>

CGM Applied Security Products For Cargo
www.cgm-ast.com/Default.asp?c=214626

Coldpack AirLiner inflatable insulating lining turns cardboard into cooler
www.coldpacksystem.com/

Satellite Maps for Wireless Fleet Management
www.networkfleet.com/networkfleet/pub/fleetmanagement

FREE WEBINARS>>>>>>

Regional Intermodal Trends: A Fresh Look At Cost & Service Wed. April 8 at 2PM ET
www.americanshipper.com/NewWeb/register2Intermodal.asp?ssid=17

EVENTS>>>>>>

Transport Events
www.transporthevents.com/

Trade Shows, Exhibitions, Conferences & Business Events Worldwide
www.eventseye.com/

World Trade Organization Events
www.wto.org/english/news_e/meets.pdf

7th 3PL Summit June 22-24, 2009, Atlanta
<http://events.eft.com/3pl/>

15th Annual Intermodal Operations & Maintenance SeminarApril 29-30, 2009, Oak Brook, Illinois
www.intermodal.org/events_files/seminar_files/index.shtml

"Current Developments in U.S. Land, Air & Ocean Transport Law" - Presented By DeOrchis & Partners, LLP And The Law Offices of Countryman & McDaniel 2 April 2009, Trinity House, London
info@CargoLaw.com

Council of Supply Chain Management Professional's 2009 Annual Global ConferenceSept. 20-23, Chicago
<http://cscmp.org/>

e-Navigation Conference 2009 Nov. 17-18, Bell Harbor, Seattle, WA
www.enavigation.org/

IANA'S Intermodal Expo Nov. 15 - 17, 2009,Anaheim Convention Center , Anaheim, CA
www.intermodal.org/events_files/expo_files/index.html

Int'l Freight Week 18-20 Oct. 2009, Abu Dhabi National Exhibition Center
www.internationalfreightweek.com/

MARAD Approved Maritime Security Awareness Classes
<http://71.14.2.130/moodle/>

NCBFAA Annual Conference April 19-23, Rancho Mirage, Calif.
www.ncbfaa.org/events/content.cfm?ItemNumber=7079

SNAME 2009 Annual Meeting & ExpoOct. 21-23, 2009, Providence, Rhode Island
www.snameexpo.com

U.S. Customs "10 + 2" Outreach Events Scheduled in 2009
http://cbp.gov/xp/cgov/trade/trade_outreach/09_outreach_schl.xml

Washington Union Station's Centennial Celebration
<http://newsroom.dc.gov/show.aspx/agency/ddot/section/2/release/15040>

World Airports Conference May 17-19, 2009, Ciudad Real, Spain
www.worldairportslawyers.org/CiudadReal2009/Portada.asp

General Interest>>>>>>

20 Most Popular Health Websites

www.ebizmba.com/articles/health

100 Useful Tips & Tools To Research The Deep Webfinding what Google can't
www.online-college-blog.com/index.php/features/100-useful-tips-and-tools-to-research-the-deep-web/

ACME How To's Library of How To & Repair Guides do it yourself for free
www.acmehowto.com/

Best Places To Live - Global Ranking
www.mercer.com/qualityofliving?site_language=100

Canned - The Lighter Side of Unemployment & what to do about it
www.thecanned.com/

Cool 758 Razor Phone
www.engadget.com/2009/03/22/cool758-razor-phone-really-can-shave-awaits-complete-market-sat/

Crowd-Sourced Customer Service With a :-) 14,072 companies can answer questions from customers. Ged heard!
<http://getsatisfaction.com/>

Docking Perfection master the currents
www.mousebreaker.com/games/dockingperfection

Get You Home passport & travel
www.getyouhome.com/

Low Altitude Aerobatics amamzing
www.flixy.com/low-altitude-aerobatics.htm

Navigate Hollywood
www.navigatehollywood.com/

Ocean Expresscruise the coast while packing colorful cargo perfectly
www.wugnet.com/affiliates/default.asp?pageid=1393

Part Select the easy way to find the right part for your appliance
www.partselect.com/

U.S. Navy Names Littoral Combat Ship [USS Coronado](http://www.navy.mil/search/display.asp?story_id=43396)
www.navy.mil/search/display.asp?story_id=43396

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OUR "E" Section: The Forwarder/Broker World***
7. New U.S. Transport Related Legal Cases _____

Regal-Beloit Corporation, et al. v. Kawasaki Kisen Kaisha, Ltd.

U.S. 9th Circuit Court of Appeals

17 Feb. 2009, No. 06-56831

This was "a maritime case about a train wreck," where the parties' agreement in an ocean bill of lading for carriage of goods from China into the U.S. by sea and then by rail included a Tokyo forum selection clause that would violate the federal law under Carmack (U.S. domestic truck law), but would be enforceable under the U.S. Carriage of Goods By Sea Act (COGSA) under 46 U.S.C. § 30701. In other words, the damage occurred during the rail leg of an ocean import from China to the U.S. The court held that: "...As a matter of policy, it may be that sophisticated commercial entities should be able to freely decide by contract the liability regime that is to govern the shipment of goods from a foreign country to their ultimate destination in the United States, and do so utilizing a single bill of lading."

"Nonetheless, given the language of the relevant statutes and legal precedent, the court COGSA cannot govern the inland transport unless the parties opted out of Carmack in accordance with the requirements of 49 U.S.C. § 10502." The court further held the district court did not consider whether the parties to this case had actually opted out of Carmack's default rules, thereby clearing the way for COGSA to apply by contractual extension. Thus the case was remanded for that determination. Read the decision:

<http://caselaw.ip.findlaw.com/data2/circs/9th/0656831p.pdf>

Editor Note: In view of the **Regal-Beloit** court decision, ocean forwarders should contact their legal advisor for house bill of lading review -- such as **Countryman & McDaniel**
info@CargoLaw.com

Wolfley v. Solectron USA, Inc.

8th Circuit U.S. Court of Appeals

Sept. 8, 2008, 541 F.3d 819

Truck Driver Sues Over Slip and Fall in Customer's Lot >> Dana Wolfley, a Missouri employee of Contract Freighters, Inc. ("CFI"), was slotted to make a Jan. 4, 2004 delivery to a North Carolina facility operated by Solectron USA, Inc., but was unable to do so because of snow & ice. The following day, Wolfley drove into the Solectron parking lot and exited his truck. He walked to what he said appeared to be a clear path, but, after stepping into what he thought was only a puddle, he slipped & fell on a patch of ice, sustaining injuries. Wolfley and his wife sued Solectron in U.S. District Court (W.D. Mo.) for negligence. The District Court granted summary judgment in favor of Solectron, and Wolfley appealed.

The 8th Circuit stated that under applicable North Carolina negligence law, in order to survive a motion for summary judgment Wolfley must show: 1. that Solectron failed to exercise proper care in the performance of a duty owed to him; 2. that the negligent breach of that duty was a proximate cause of his injuries; & 3. that a person of ordinary prudence should have foreseen that his injuries were probable under the circumstances. Solectron did not have an internal policy regarding snow & ice removal.

Wolfley was subjectively aware of the snow & ice situation, according to the Court, & therefore should have foreseen slipping & being injured. He stated in his deposition & affidavit that he knew that the facility was closed the previous day because of the weather, that his truck slid on the ice in the parking lot, and that the puddle in which his foot slipped had ice on either side of it.

Additionally, the Court held that Wolfley could not recover because the danger was open & obvious. According to the Court, a reasonable person should have known of the danger of slipping on ice, given the conditions present in the parking lot. The Court rejected Wolfley's argument that the icy condition was not open and obvious because he slipped on ice hidden within a puddle. Because a "person of ordinary prudence should have foreseen that his injuries were probable under the circumstances," Solectron had no duty to warn Wolfley and the Court of

Appeals accordingly affirmed the grant of summary judgment by the District Court.

Written from wire stories, the Associated Press, Reuters, Hong Kong Shipping News Lloyds & other world sources.

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Christoph Wahner, Esq. (Countryman & McDaniel) **Daily Vessel Casualties**

Maria Payne (Countryman & McDaniel)

The Cargo Letter

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A world news service for Air/Ocean Freight Forwarders, NVOCC's, Consolidators, Indirect Air Carriers, Surveyors, Intermodal Shipper's Agents, Inland Carriers, Customs Brokers and Liability & Marine Underwriters world-widea free service to more than 8,000 industry subscribers & readers on 6 continents.

Michael S. McDaniel, Editor.

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The Cargo Letter is published by The Law Offices of Countryman & McDaniel: Legal, Business, Marine Insurance and Claims representation of Air/Ocean Freight Forwarders, NVOCC's, Indirect Air Carriers, Shipper's Agents, Inland Carriers and Customs Brokers.....and Liability & Marine insurance Underwriters since 1978 in the United States & world-wide via **The Cargo Law Network**. Member, Maritime Law Association of the United States, FIATA and others.

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www.cargolaw.com

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TRANS-CAMS

www.cargolaw.com/cameras.html

[The Cargo Letter Home Page](#) >>>>>www.cargolaw.com/cl-archives.php<<<<<

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