

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.**"

**This Month:** To the people of the **Republic of Chile** -- reports of massive destruction of ports. Our photos posted shortly.

To help you find what you need -- **FAST** -- there's now a transport search engine installed at our [www.CargoLaw.com](http://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](http://www.cargolaw.com/cl-archives.php)

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

1. **Freight Forwarder Trade Briefs** \_\_\_\_\_

**\*\*\*U.S. Economy Shows Life** ..... as driven by a surge in aircraft orders, new orders for big-ticket manufactured goods rose a surprisingly strong 3% in Jan., the U.S. Commerce Dept. reported on Feb. 25. Orders for durable goods -- items such as planes, cars, refrigerators & computers expected to last at least 3 years -- rose to US\$175.75Bn, up from US\$170.57Bn in Dec. It was the 2nd consecutive increase in new orders, following a 1.9% rise in Dec. The rise was driven by orders for transportation equipment, up 15.6%, that was led by nondefense aircraft & parts.

**\*\*\*Life Never Quite The Same Again** ..... as the Mineta Transportation Institute (MTI) has published Potential Terrorist Uses of Highway-Borne Hazardous Materials, which evaluates security risks created by truck-borne hazardous materials, particularly gasoline tankers. The Dept. of Homeland Security requested the report from MTI's National Transportation Security

Center of Excellence (MTI's NTSCOE). "We consider gasoline tankers and, to a lesser extent, propane tankers to be the most attractive options for terrorists seeking to use highway-borne hazmat because they can create intense fires in public assemblies & residential properties," says Brian Michael Jenkins, director of MTI's NTSCOE. "We strongly urge that DHS, state governments and the industry take a renewed look at flammable liquids & gases as a weapon of opportunity, and at a strategy to improve security measures & technology."

[www.transweb.sjsu.edu/MTIportal/research/publications/summary/MTI-0903.html](http://www.transweb.sjsu.edu/MTIportal/research/publications/summary/MTI-0903.html)

**\*\*\*America Ships Less** ..... as according to the Commerce Dept., less than 1% of America's 30 million companies export, a percentage far smaller than all other developed countries.

**\*\*\*Export ID** ...as on Feb. 22, 2010, the Dept. of Commerce's U.S. Census Bureau (Census) published a final rule requiring an Employer Identification Number (EIN), Dun & Bradstreet Number (DUNS) or SSN must be entered when reporting electronic export information via AES or AESDirect. The interim final rule amends the FTR to require that all U.S. Principal Parties in Interest (USPPI) or U.S. authorized agents who reside or have an office located in the U.S. must report either an EIN or DUNS. The final rule becomes effective on March 24, 2010.

<http://edocket.access.gpo.gov/2010/pdf/2010-3365.pdf>

**\*\*\*Brown** In Haiti .... as UPS Inc. said Feb. 23 it has donated supply-distribution barcode technology for use by the Salvation Army in its Haiti relief efforts. The system is based on UPS' Trackpad technology, which customers use to track packages within campus environments as the packages move from the loading dock to distributed offices for delivery. It is replacing handwritten index cards that had been used by the Salvation Army in Haiti following that country's severe earthquake on Jan. 12.

<http://trackpad.ups.com/>

**\*\*\*EU Rail Compact** ..... as 7 freight rail operators in Europe have signed an agreement to coordinate loads & market their services to shippers. CD Cargo, CFL Cargo, DB Schenker Rail, Green Cargo, Rail Cargo Austria, SBB Cargo and SNCB Logistics signed the agreement in Zurich. The agreement covers about half of Europe's freight rail volume and is designed to lure shippers into moving shipments from road to rail, easing road congestion & reducing emissions. The agreement is focused on cross-border operating standards with a goal of reliability rates of around 90. The idea will be to allow shippers to access timetables from origin to destination and track the movement of their consignments. The partners in the agreement have committed to taking no more than 3 days to provide an offer when asked to quote for a carload movement.

**\*\*\*The Category 5 Hurricane Here Now** ..... as cargo theft from big rigs jumped 67% last year, the Wall Street Journal reported. Truckloads containing US\$487M of goods were stolen in 2009, from US\$290M a year earlier. Thieves stole 859 truckloads in 2009, up from 767 loads in 2008 and 672 in 2007. The FBI estimates cargo theft in the U.S. accounts for about US\$10Bn in direct merchandise losses annually. Insurance company Chubb Corp. said there were 725 cargo thefts in 2009, up 6.6% from 680 in 2008, and 23% from 2007, and estimated 2009 thefts amounted to US\$435M of products. Check your insurance right now, or call **Countryman & McDaniel**.

**\*\*\*But No Excuse For Underinsured Load** ..... as Internet Truckstop has announced the availability of CargoMate for its members. "Providing an immediate quote, online payment & e-mail distribution of the policy paperwork, CargoMate delivers a fast, effective way to purchase per load cargo insurance," CargoMate allows carriers, freight brokers and shippers to find affordable, per load cargo insurance, up to US\$500K, regardless of the underlying & existing insurance coverage of the motor carrier. CargoMate is underwritten by Travelers Property Casualty Company of America. CargoMate is not to be confused with Excess or Spike Cargo, as CargoMate covers the entire load value.

[www.truckstop.com/](http://www.truckstop.com/)

**\*\*\*U.S. Wheels Begin To Turn** ..... as the American Trucking Assn' advance seasonally adjusted (SA) For-Hire Truck Tonnage Index jumped 3.1% in Jan., following a revised 1.3%

increase in Dec. 2009. The latest gain boosted the SA index from 107 (2000=100) in Dec. to 110.4 in Jan., its highest level since Sept. 2008. The not seasonally adjusted index, which represents the change in tonnage actually hauled by the fleets before any seasonal adjustment, equaled 99.5 in January, down 3.3% from the previous month. Compared with Jan. 2009, SA tonnage surged 5.7%, which was the best year-over-year reading since Jan. 2005 and the 2nd consecutive increase. For all of 2009, the tonnage index was down 8.7% (slightly larger than the previously reported 8.3% drop), which was the largest annual decrease since a 12.3% plunge in 1982.

**\*\*\*UPS Calgary Megacenter** .... as it has opened a US\$30M distribution center at Calgary Int'l Airport that will provide businesses in western Canada with direct access to its global package delivery network. The 150,000-square-foot distribution center has been under construction since June 2008 & will allow UPS to double its package processing capability. The hub houses 157 trucks for ground transportation to surrounding communities in addition to serving as a staging point for aircraft. The new hub, part of the YYC Global Logistics Hub, will sort & distribute air and ground packages and is a direct response to a surge in UPS business. The global logistics company's shipment volume from the Calgary area has increased 60% since 2003. Air cargo tonnage has more than doubled at YYC from 66,000 ton in 1999 to 134,000 ton in 2007. The logistics park generates more than US\$6Bn of annual economic activity, accounting for about 10% of Calgary's gross domestic product.

**\*\*\*UPS Racing** ..... US\$100,000 Trackside Prize Challenge!  
[www.racing.ups.com/](http://www.racing.ups.com/)

**\*\*\*Plan The Best Delivery Route** ..... as there is a new free program for drivers. Just enter the addresses you want to visit in any order, and Route4me will instantly give you the most optimal & shortest route driving directions!" When you enter multiple addresses into the system, it will automatically calculate thousands or millions of route combinations to bring back the shortest possible route between all your destinations - so you don't have to zig-zag across town.  
[www.route4me.com/](http://www.route4me.com/)

**\*\*\*FDA "Closeout"** ..... as at the Food and Drug Administration's request, U.S. marshals on Feb. 2 seized a wide range of human & animal food products stored in a warehouse operated by Mid-States Closeouts in Ellsworth, Wis. The products were seized by the U.S. District Court for the Western District of Wisconsin. U.S. marshals seized all FDA-regulated products susceptible to rodent & pest contamination and other filth. The FDA said Nov. & Dec. 2009 inspections of the Mid-States facility inspectors found "widespread and active rodent infestation, numerous gnawed packages of human & animal food, rodent excreta pellets on, in and around food packages & rodent nesting material."  
[www.midstatescloseouts.com/](http://www.midstatescloseouts.com/)

**\*\*\*Law Against Road Clowns?** .....as a Tampa man faces charges after a deputy spotted him on a road in a clown mask. According to jail records, the man was arrested Feb. 23 and charged with "*wearing a mask or hood on a public road over the age of 16*" and resisting arrest without violence. The man, who turned 19 on Feb. 24, has been released from Hillsborough County Jail on US\$750 bond. The St. Petersburg Times reported that a deputy saw the man wearing a clown mask & bright wig as he went down a street with two other people. The group fled when deputies tried to question them, but were later located. The jails must be full on Halloween!

**\*\*\*Wing Heist** ..... as Police in Georgia are searching for a pair of hungry bandits who stole an order of chicken wings from a pizza delivery driver. Columbus Police say the 19-year-old Domino's driver was approached outside a home Feb. 23 night by 2 men who asked for money. One of the men pointed a chrome pistol. Police say one of the men then said, "give me the wings." They fled the scene with the US\$36 order. No cash was taken & the driver was not injured. We do not know if Domino's has cargo insurance.

**\*\*\*The Trouble With Trains** ..... as a man who lost his hand after being dragged by a commuter train 2 weeks ago in Southern California has been hit by a train again. Police say the

man claimed he fell from the platform onto the tracks at the Irvine station and was hit by a northbound train Feb. 22 morning. Sgt. Mike Meyers says the man gave the same explanation when he was hit by a Metrolink train at about the same time two weeks ago in Laguna Nigel and dragged 87 feet. His left hand was severed at the wrist. The Sheriff's Dept. investigated the 1st incident as an accident. Police say the man was taken to a hospital Feb. 23 with non-life-threatening injuries & will receive a mental health evaluation.

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## 2. The Cargo Letter Financial Page \_\_\_\_\_

**\*\*C.H. Robinson. DOWN** with 4th quarter net profit of US\$87.7M, 1.3% less than in the same 2008 period.

**\*\*Expeditors Int'l of Washington. DOWN** as 4th-quarter net income fell 11% to US\$69.1M, or 32 cents a share, from US\$77.7M, or 36 cents, a year ago.

**\*\*ExpressJet. DOWN** with a 4th quarter net loss of US\$3.3M or US\$0.21 per diluted share.

**\*\*Hanjin Shipping. DOWN** its container shipping division sunk to a US\$652M net loss for 2009, compared to a profit of US\$100M in 2008.

**\*\*Hapag-Lloyd. DOWN** as losses mounted to US\$78.9M in its 1st financial quarter, compared to a US\$31.6M in the same period in the previous year.

**\*\*Malaysia Airlines. UP** with a US\$1.1M 4th quarter operating profit, thanks mainly to a 7% rise in cargo revenue to US\$121M.

**\*\*Matson Navigation. DOWN** as Alexander & Baldwin's ocean arm, had 4th quarter operating profit of US\$13.5M, down 36% from year-earlier period.

**\*\*Pacer Int'l. UP** as 4th-quarter profit grew to US\$10M, or 10 cents per share, compared with a US\$64M loss, or US\$1.83 cents, a year earlier.

**\*\*Ryder System. DOWN** as 4th-quarter profit fell to US\$8.2M, or 15 cents a share, from US\$10.6M, or 19 cents, a year earlier.

**\*\*Tropical Shipping. DOWN** with 4th quarter operating profit of US\$13.5M compared to US\$20.2M in the same 2008 period.

**\*\*UPS. WAY UP with 4th quarter net profit of US\$757M, a whopping 198% more than the same 2008 period.** Revenue for Supply chain and freight business was down 1.8% to US\$2.03Bn.

**\*\*YRC Worldwide Inc. DOWN** as loss from operations narrowed in the 4th quarter to US\$95M from US\$135M a year earlier

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

## 3. Freight Forwarder World Air Briefs \_\_\_\_\_

**\*\*\*Largest Ever Post WWII Decline ....** as demand statistics for int'l scheduled air traffic showed the industry ended 2009 with the largest ever post-war decline, according to the Int'l Air Transport Assn. (IATA). Passenger demand for the full year was down 3.5% with an average load factor of 75.6%. Freight showed a full-year decline of 10.1% with an average load factor of 49.1%. "In terms of demand, 2009 goes into the history books as the worst year the industry has ever seen," says Giovanni Bisignani, IATA's director general & CEO. "We have permanently lost 2.5 years of growth in passenger markets and 3.5 years of growth in the freight business." Dec. 2009 freight demand showed a 24.4% improvement on Dec. 2008 with a load factor of 54.1%. This improvement is exaggerated by the exceptionally weak performance in Dec. 2008, which was the low point in the cycle. Freight demand is still 9% lower than the peak in early 2008. Optimism is returning to the industry as purchasing managers survey indicators reached a 44-month high in Dec. pointing towards increased freight volumes in the coming months.

[www.iata.org/](http://www.iata.org/)

**\*\*\*Industry Broke But Very Safe ....** as the accident rate in 2009 for Western-built jet aircraft was the 2nd lowest in aviation history, according to the International Air Transport Assn. (IATA). The 2009 global accident rate (measured in hull losses per million flights of Western-built jet aircraft) was 0.71. That is equal to one accident for every 1.4 million flights. This is a significant improvement of the 0.81 rate recorded in 2008 (one accident for 1.2 million flights). The 2009 rate was the 2nd lowest in aviation history, just above the 2006 rate of 0.65. Compared to 10 years

ago, the accident rate has been cut 36% from the rate recorded in 2000. In absolute numbers, 2009 saw the following results:

\*2.3 billion people flew safely on 35 million flights (27 million jet, 8 million turboprop)

\*19 accidents involving Western built jet aircraft compared to 22 in 2008

\*90 accidents (all aircraft types, Eastern & Western built) compared to 109 in 2008

\*18 fatal accidents (all aircraft types) compared to 23 in 2008

\*685 fatalities compared to 502 in 2008

**\*Africa had an accident rate of 9.94, significantly higher than their 2008 rate of 2.12. Africa has once again the worst rate of the world.** There were 5 Western-built jet hull losses with African carriers in 2009. **African carriers are 2% of global traffic, but 26% of global Western-built jet hull losses.**

**\*\*\*Air Security Ramps Up** .... as the U.S. Transportation Security Administration said airlines must screen at least 75% of cargo loaded in the United States by May 1, according to a message posted last week on the air cargo portion of its Web site. The new requirement is a sign that officials are concerned the industry has not taken enough voluntary measures to help meet the Aug. 1 mandate to screen all cargo on passenger planes. Under a 2007 security law, half of all air cargo on passenger aircraft had to be screened as of Feb. 1, 2009. The law applies to the piece level, meaning half -- and now 75% -- of pieces in a multiload pallet must be checked. To help achieve the intermediate goal last year, the agency ordered airlines to screen all cargo placed on narrow-body planes.

**TSA to Host Meetings on 100% Air Cargo Screening -- Dates & Locations**

[www.surveymonkey.com/s/Z2QJBDX](http://www.surveymonkey.com/s/Z2QJBDX)

**\*\*\*Turning Yourself In** ..... as DHL Global Forwarding has admitted that it was the whistleblower that initiated the massive international investigation into illegal anti-competition activities among global freight forwarders. A spokesperson for DHL confirmed to *Air Cargo News* that it had informed the authorities of its potentially anti-competitive behaviour, sparking the worldwide investigation by anti-trust agencies. It has been long-suspected that DHL was the company that first went to the authorities, allowing it to claim immunity from prosecution and fines. The company claims that it "became aware, during the course of an internal investigation that activities potentially raising concerns under the competition laws may have occurred". It then goes on to state that it has "been granted immunity from prosecution & fines by the European Commission conditional upon DHL Global Forwarding continued cooperation". Further details of the exact nature of the charges were also revealed, with DHL confirming that: "The Statement of Objections concerns alleged coordinated conduct related to different surcharges, none of which is, or relates to, fuel." The DHL spokesperson confirmed that the surcharges central to the investigation are; new export system surcharge, advance manifest system surcharge, currency adjustment factor & peak season surcharge.

**\*\*\*The Mother of All Delays** ..... as New York's John F. Kennedy Int'l Airport isn't exactly the poster child for on-time departures & things may get worse before they get better for cargo flights using the airport this spring. Starting Monday, JFK's busiest runway will close for 4 months for reconstruction. The US\$376M project for Runway 13-31, also known as the Bay Runway, will widen it from 150 to 200 feet & add taxiways, all in an effort to ease traffic congestion at the airport. The improvements are expected to reduce flight delays overall by an estimated 10,500 hours per year. Airlines are adjusting schedules & operations to mitigate delays, and the airport's 3 remaining runways will be utilized to their full capabilities during the Bay Runway's closure." Officials are reducing the number of arrivals and departures at the airport from about 1,300 a day to 1,050, said the Port Authority of New York & New Jersey, which operates JFK. At more than 14,500 feet long, or almost 3 miles, the Bay Runway is one of the longest in the U.S. It handles more than 50% of all departures at JFK. A veteran air traffic controller at JFK said the runway closure will definitely affect flights, despite reassurances from officials to the contrary. "I do not think the impact will be minimal, I think the impact will be felt," said Stephen Abraham, the National Air Traffic Controllers Assn. president at JFK. The bottlenecks could be worst between 5 p.m. & 10 p.m. when there is a steady stream of departures, including most cargo, Abraham said. On a good weather day, delays could run 15-30 minutes, but if the weather conditions deteriorate, they could be an hour or more, he estimated.

**\*\*\*Slots - How They Work** .... as the government says Delta Air Lines & US Airways can swap takeoff & landing slots at airports in New York & Washington, but there's a catch: They must sell some of the slots to protect competition. The two airlines said in a joint statement that if the order is implemented as proposed, they don't expect the deal to go forward. "Both airlines will review the DOT's proposed rulemaking to determine our next steps," the statement said. A slot is an interval of time during which an airline can takeoff or land its aircraft at an airport. A pair refers to cities airlines fly between. Slots, especially at peak times of day and in busy corridors like the Northeast, are valuable to airlines. US Airways agreed in Aug. to transfer 125 operating slot pairs to Delta at LaGuardia Airport in New York. In exchange, Delta agreed to transfer 42 operating slot pairs to US Airways at Reagan National Airport in Washington. The Transportation Dept. said it has tentatively allowed the transaction to proceed as long as the airlines sell some of their slot interests to carriers with no or limited service at the 2 airports. The approval requires the airlines to sell 14 pairs of slot interests at National & 20 pairs at LaGuardia. The deal could still find some resistance. A final decision won't be issued until after a 30-day public comment period.

**\*\*\*South American Wedding** ..... as airlines Avianca & TACA have gained regulatory approval of an operational joint venture announced in Oct. 2009. The merged airlines will continue to operate previous brands, but will seek synergies in cargo & passenger operations.

**\*\*\*Peace & Quiet vs. Cargo** .... as the FAA has ruled against the City of Burbanks' proposed 22:00 to 06:59 airport curfew. At the time of the curfew application, the Int'l Air Cargo Assn. advised the FAA to reject it, saying that imposing a curfew would have an unfair effect on air cargo carriers because they are the only carriers currently operating at Burbank during the proposed curfew. Burbank is not impressed with the FAA decision, saying a curfew is essential to provide some peace & quiet during the night for local residents.

**\*\*\*Sydney Overflows** ..... as Richmond Air Force Base is to become a temporary, 2nd commercial airport for Sydney. The development of Richmond, which is capable of handling most long-haul aircraft, would take pressure off Sydney Airport. The Richmond base is expected to be a temporary solution while the government intensifies its search for a permanent location.  
[www.raaf.gov.au/bases/richmond.aspx](http://www.raaf.gov.au/bases/richmond.aspx)

**\*\*\*Cathay Pacific & Air China Join** .... as they are reportedly in talks to start a joint air cargo venture, according to a report by Bloomberg. The venture would see Hong Kong-based Cathay provide 5 or 6 aircraft and Beijing-based Air China provide seven. The airlines maintain stakes in each other's business. Air China is Cathay's 2nd-largest shareholder, with a 30% stake, while Cathay owns 18% of state-owned Air China.

**\*\*\*American Airlines Cargo New LAX Digs** .... as it has opened its relocated cargo terminal at Los Angeles Int'l Airport. The new cargo center includes a 3,000-square-foot cooler for perishables and expanded areas for courier cargo, mail processing and a designated holding area for live animals. "AA Cargo's new facility is designed to enhance our customers' shipping experience by increasing our cargo handling capability at LAX – one of the world's busiest airports," said AA Cargo. The new terminal is directly adjacent to American's previous cargo terminal at LAX, at 5950 Avion Dr. and just across the street from the [Law Offices of Countryman & McDaniel](#).

**\*\*\*Boeing's Giant 747-8 Freighter** ..... as the biggest plane the company has ever built - successfully completed its first flight Feb. 15, a year later than originally planned. The huge plane took off from Everett's Paine Field shortly after noon and returned to Paine at 4:18 p.m. PST, after an approximately 3-hour flight. The flight came just one day short of the 41st anniversary of the first flight of the original 747 model. At 250 feet long - more than twice the length of the Wright Brothers' first flight - the plane is about 18 feet longer than the existing 747-400 jumbo jet. Boeing launched the freighter program on Nov. 14, 2005, with firm orders for 10 planes from Cargolux of Luxembourg and eight from Nippon Cargo Airlines of Japan. The jet has a list price of more than \$301M. Boeing's European rival Airbus had planned a freighter version of the Airbus A380, the world's largest passenger jet. However, that program was put on hold in 2007 after

FedEx Corp. & UPS Inc. canceled their orders.

[http://en.wikipedia.org/wiki/Boeing\\_747-8](http://en.wikipedia.org/wiki/Boeing_747-8)

**\*\*\*We Buy -- You Fly .....** as the U.S. Export-Import Bank will provide US\$1.1Bn in financing of U.S.-manufactured aircraft sold by The Boeing Co. to the National Aviation Co. of India Ltd., also known as Air India. Ex-Im Bank said, at a signing ceremony for the transaction on Jan. 28, the Indian government has provided the bank with a payment guarantee of Air India's obligations under the financing. The financing will support the sale of B777-200s & B777-300s to be operated by Air India & B737-800s to be operated by Air India Charters Ltd. These purchases represent the 3rd phase of Air India's 68-plane fleet renewal plan.

**\*\*\*B-787 Will Make The Food Look (Not Taste) Better .....** as Boeing Co. designers are betting that a lot of subtle changes in the interior of their new 787 jetliner will add up to strong passenger demand to fly on the plane. Boeing Commercial Airplanes, on Feb. 23, showed off the first 787 with a passenger cabin installed. The plane, the 3rd 787 to be built, is among 6 that Boeing is using in its flight test program this year. Bigger windows that are dimmed electronically, mood lighting, more spacious lavatories and other features all were carefully chosen to please passengers. Among the "very simple things," are more convenient latches on the larger overhead baggage bins. The bins, which swing up & away, also allow more headroom. Lavatories have imitation tile floors & toilet seats that close electronically - no need to touch, should the previous occupant thoughtlessly leave it up. The initial 787-8 model will carry 210 to 250 passengers on routes of up to 9,400 miles. The cabin's LED lights have a full range of colors, with airlines able to pick different lighting schemes during the flight, including a sky blue while boarding and "warm lighting" to make the food look better. Cabin pressure is lower, which should make people feel better during & after a flight. Boeing says many of these features could be adopted in the 737. The 787 is the 1st jet to be made mostly from composite materials. It will use far less fuel, be quieter & produce lower emissions than comparable planes & should save money on maintenance. The first flight of the 787 was in Dec., after which Boeing began its 9-month test program. Late this year, Japan's All Nippon Airways is to receive the 1st plane to be put into service, more than 2 years overdue because of production problems which have cost Chicago-based Boeing billions of dollars. Customers have ordered 851 of the jets.

**\*\*\*Concorde Murder Trial Begins -- Ten Years Later .....**as Continental Airlines and 5 individuals began trial on Feb. 2 for manslaughter in France over the crash of an Air France Concorde in July 2000. The jet took off in flames from Paris Charles de Gaulle airport and crashed shortly afterwards, killing 113 people. The court will examine conflicting explanations of why the New York-bound jet crashed just after taking off on 25 July, 2000. Investigators and technical experts say the crash was caused by a strip of titanium that fell from a Continental jet, which took off shortly before the Concorde. But the French aviation official and Concorde engineers are also accused of failing to correct faults on the supersonic jet. Continental's lawyers say they can prove the Concorde caught fire before it struck the titanium strip.

<http://news.bbc.co.uk/2/hi/europe/8492561.stm>

**\*\*\*Air History Hero .....** as it took Marlon Green more than 6 years to petition Continental Airlines to become the first black hired as a pilot for a U.S. passenger airline. And it took Continental nearly 50 years to publicly acknowledge Green's contribution to its success. On Feb. 23, that delayed expression of gratitude came in a Houston hangar during a ceremony to introduce Continental's newest Boeing 737 — emblazoned with Green's name.

**\*\*\*Volumes >>** Dubai Int'l Airport's air cargo volume rose 31.5% to 171,453 tons in January compared to the same month in 2009. >> Hong Kongs' int'l airport volum rose for the first time since Aug. 2008, handling 324,000 metric tons of cargo for Oct. 2009, up 1.3% over the same period last year.

**\*\*\*Warning: Brownies Can Remove Your Pants ....** as a San Francisco man claims he was high on a double dose of medical marijuana cookies when he screamed, dropped his pants & attacked crew members on a cross-country flight, forcing its diversion to Pittsburgh, the FBI said Feb. 24. Kinman Chan, 30, was charged in a criminal complaint with interfering with the duties of

a flight attendant on allegations that he fought with crew members of US Airways Flight 1447 from Philadelphia to Los Angeles on Feb. 21. His federal public defender, Jay Finkelstein, declined to comment, and why not! Crew members said Chan made odd gestures before he entered the plane's rear restroom shortly after takeoff & began to scream, according to the complaint. Chan told the FBI that he "came back to reality" and exited the restroom, at which point the crew noticed his "pants were down, his shirt was untucked & all the compartments in the restroom were opened." When crew tried to get Chan to sit, he fought them and had to be subdued in a choke hold. Chan told agents who interviewed him in Pittsburgh that he ate marijuana cookies while waiting for his flight to depart in Philadelphia. "Chan advised he has a medical marijuana card and he took double his normal dose," the complaint said. Margaret Philbin, a spokeswoman for the U.S. attorney's office, said Chan has a legally issued medical marijuana card for a "legitimate" health issue, which she declined to identify. The flight was diverted to Pittsburgh Int'l Airport, where Chan was arrested, then jailed until a federal magistrate granted him bond. Chan remained jailed because Allegheny County officials have also charged disorderly conduct. Chan arrived at Philadelphia Int'l Airport after attending a conference in the Dominican Republic. The flight to Los Angeles was part of his trip home to San Francisco. The charge of interfering with duties of a flight attendant carries up to 20 years in prison & a US\$250,000 fine.

**\*\*\*Direct Air Delivery .....** as a cargo plane door opened in flight over Montana & likely turned 2 bags into air mail. Crews are searching the Bob Marshall Wilderness Complex for the two priority mail bags that might have fallen out of the plane last weekend. Alpine Air reported that a cargo hatch on the twin-engine turboprop opened during the flight between Billings & Kalispell and the pilot was unable to close it. The plane carried about 3,000 pounds of mail. Postal workers aren't sure any mail is missing, but, if any is, they say it's likely two bags, or about 25 packages. Weather hampered the search on Feb. 25 for the bright orange mail bags. Kalispell customers who believe they're missing priority mail packages are asked to call the Kalispell Post Office. Two area squirrels have been approved for a Master Card.

[www.alpine-air.com/](http://www.alpine-air.com/)

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

#### **4. FF World Ocean Briefs**

**\*\*\*Chilean Navy Made The Wrong Call .....** as Chile's defense minister said Feb. 28 that the **Chilean Navy** made a mistake by not immediately issuing a tsunami warning after the mammoth earthquake, a step that could have helped coastal villagers flee to higher ground sooner. Francisco Vidal said, however, an alarm was later sounded by port captains. That saved hundreds, if not thousands of lives. "The navy committed an error in not alerting the tsunami," Vidal said. Immediately after Feb. 27's magnitude-8.8 quake, President Michelle Bachelet played down the threat of a tsunami, saying large waves were expected, but no tsunami. However, several coastal communities were smashed into by what authorities later recognized were tsunami waves. Vidal said that fortunately the Navy has an emergency plan that allows navy officials in each port to sound alarms automatically when a rise in the sea is observed without waiting for an order from above. In this case, port captains sounded an alarm alerting coastal populations. Thirty minutes passed between the quake & waves that inundated coastal towns. There are more than 800 known dead at press time & many ports are devastated. Fortunately, Chile's major port of Valparaiso reports minor damage. Please contribute your photos for our upcoming Chilean ports feature.

**\*\*\*At Long Last -- The Tariffs Which No One Reads .....** as the U.S. Federal Maritime Commission voted this month to initiate a rulemaking that would relieve non-vessel-operating common carriers from the costs & burdens of publishing and adhering to tariffs that contain the rates they charge to ship cargo. The National Customs Brokers & Forwarders Assn. of America Inc. (NCBFAA)'s petition for a limited exemption from certain tariff requirements of the Shipping Act of 1984 was granted by 1n a 3-1 FMC decision under the Shipping Act of 1984. This change has been long sought, and the FMC said it has "received indications that some NVOCCs may have begun to implement such a change in their business operations." Until the exemption is published in the Federal Register in its final form and becomes effective, NVOCCs must continue



to comply with the commission's regulations as currently stated. Thanks NCBFAA.  
[www.fmc.gov/speeches/newsrelease.asp?SPEECH\\_ID=306](http://www.fmc.gov/speeches/newsrelease.asp?SPEECH_ID=306)

**\*\*\*Less Worse** ..... as intermodal traffic volume fell 6.4% in the 4th quarter, an improvement over the 3rd quarter's decline of 16.4%, the Intermodal Assn. of North America said. Domestic container volume increased in all but two U.S. regions during the quarter, gaining 9% overall, IANA said Feb. 19. Int'l volume fell for the 10th straight quarter, dropping 12.3%, IANA said. Trailers declined 15.4% in the 4th quarter to 415,455, from 491,128 last year. Domestic containers increased 9% to 1,068,754, while all domestic equipment gained 0.8% IANA said. For the full year 2009, intermodal volume fell 14.6% to 11,670,350 units, IANA said. Domestic containers grew 2.9%, while int'l containers fell 21.2% & int'l containers dropped 21.2%. All domestic equipment fell 5.8%.

**\*\*\*Finding The Nuke?** ..... as the European Commissioner for Taxation & Customs Union has released a strongly-worded report condemning U.S. government plans to introduce 100% scanning of containers at the ports of export, and claimed the European Union "does not contemplate implementing 100% scanning of containers at export".

**\*\*\*New Buildings Lose 52% Capacity** .... as nearly 7% of the 6.5 million TEUs of containership capacity ordered through Oct. 2008 has been canceled, according to a report by the maritime news service Alphaliner. "The cancelled orders include 27 containership orders that were converted into other vessel types by their owners," Alphaliner said. "The remainder of the canceled orders were outright cancellations or orders that have been delayed to such an extent that they are believed to have been dropped, especially in cases where shipyards faced difficulties in meeting contractual deadlines allowing owners to get out of their commitments. Further cancellations could emerge, as discussions are still ongoing between the shipyards & owners. Also, some cancellations may not have been disclosed yet. Although only 31 units of 4,000 TEUs and above were canceled (22% of all cancelled orders), they represent 52% of the capacity (228,500 TEUs) removed from the order book," Alphaliner said. The vast majority of cancellations came from German non-operating owners (98 out of 140 ships canceled).

[www.axs-alphaliner.com/top100/index.php](http://www.axs-alphaliner.com/top100/index.php)

**\*\*\*Ships Held By Somali Pirates On Feb. 28 2010**

[www.foreyard.com/en/news/Ships-held-by-Somali-pirates-2010-02-28T093134Z-FACTBOX](http://www.foreyard.com/en/news/Ships-held-by-Somali-pirates-2010-02-28T093134Z-FACTBOX)

**\*\*\*M/V Asian Glory** ..... as the giant car carrier, operated by Eukor & owned by Zodiac Maritime Agencies, is reportedly being deployed by Somali pirates as a mother ship on raids out into the Indian Ocean. The ship was nabbed on Jan. 1, some 1,100 km off the Somali coast with a crew predominantly from eastern Europe. The 4,500 unit carrier was en route from Ulsan to Saudi Arabia with 2,405 cars, of which 2,388 were Hyundais, the manufacturer which Eukor has long held an exclusive relationship with. Security experts were baffled at how the pirates managed to board the car carrier, given its vertiginous 23m freeboard. The ship then made for the Somali coast, where presumably the cars were offloaded. Reports suggested the ship is now back out at sea, helping pirates snare more victims further out into the ocean. Meanwhile, Russian reports said that the pirates had mock staged the execution of the Bulgarian master of the British flagged M/V Asian Glory. Reports suggest the current ransom demand is US\$15M.

**\*\*\*Nemesis 5000 - Marine Anti Piracy System** ..... as a UK company has invented a device which it claims will help prevent pirates boarding ships at sea. A number of rotating cannons, which connect to the fire hose present on all merchant ships, fire out high-pressure water down the sides of the vessel. Nemesis 5000 takes seawater from the vessel's fire water system & creates a moving curtain of water jets, each with an impact equivalent to a 10 pin bowling ball traveling at over 60 mph. Chandler's Ford-based Dasic Marine says anyone climbing up a ship would be thrown off by the force of the water.

**Movie**

[http://news.bbc.co.uk/2/hi/uk\\_news/england/hampshire/8473172.stm](http://news.bbc.co.uk/2/hi/uk_news/england/hampshire/8473172.stm)

Details

[www.dasic-marine.co.uk/marine-anti-piracy.htm](http://www.dasic-marine.co.uk/marine-anti-piracy.htm)

**\*\*\*Post Pirate Trauma** ..... as the Seamen's Church Institute of New York has published Preliminary Guidelines: Post-Piracy Care for Seafarers, outlining preliminary strategies on caring for seafarers affected by piracy. The document, based on cutting-edge mental health research & ongoing discussions with shipowners, crewing agencies, representatives of governments & other stakeholders in the industry, provides practical guidelines for the maritime industry.  
[www.seamenschurch.org/law-advocacy/piracy-trauma-study](http://www.seamenschurch.org/law-advocacy/piracy-trauma-study)

**\*\*\*In The Wake of M/V Cosco Busan** ..... as with a sharp warning to the maritime industry, justice officials on Feb. 19 ordered a Chinese shipping firm to pay US\$10M for its role in a spill that dumped 53,000 gallons of thick bunker fuel into the San Francisco Bay. Fleet Management, a Hong Kong-based firm, pleaded guilty last year to criminally violating federal pollution laws and felony obstruction of justice. The company admitted it caused the spill and acted negligently after [Cosco Busan](#), which it owned, struck the Bay Bridge on a foggy morning Nov. 7, 2007, leading to the biggest Bay Area spill in 20 years. In addition, the firm was convicted of creating false & forged documents at the direction of shore-based supervisors with an intent to deceive the U.S. Coast Guard. The plea agreement called for US\$2M of the fine to fund marine environmental projects in the San Francisco Bay. Last year, the pilot of the 902-foot container ship, Capt. John Cota, pleaded guilty to misdemeanor charges & was sentenced to 10 months in prison, 1 year of supervised release & 200 hours of community service. After [Cosco Busan](#) struck one of the support towers of the Bay Bridge, tearing a huge gash in the hull & causing the massive spill, at least 2,000 migratory birds died.

**\*\*\*Emergency = We're Broke** ..... as Zim Integrated Shipping Services Ltd. announced on Feb. 16, its plans to impose an "emergency revenue charge" of US\$125 per TEU on exports originating in the U.S. for all destinations, effective as of March 15, 2010. In a press release, Zim said the charge "is an interim measure taken in order to achieve rate restoration & maintain our current levels of service"

**\*\*\*French Line Raises Rates** ..... as the liner carrier CMA CGM will raise rates from Asia to all parts of Europe, including to Black Sea ports, on March 15. The increase is a flat US\$200 per TEU and applies to shipments to ports in northern Europe, the western and eastern Mediterranean, and the Black Sea. Origin ports subject to the increase include those in Southeast Asia, Sri Lanka & Bangladesh.

**\*\*\*Sad State of Our Guard** ..... as the U.S. Coast Guard is "ready and resilient," but its leader said he is concerned about the condition of his force's ships. "The current condition of our high endurance cutters is of serious concern to me," said Commandant Thad Allen, giving his annual "state of the Coast Guard" address at the National Press Club last week. "The Coast Guard operates one of the oldest fleets in the world. No amount of maintenance can outpace the ravages of age," Allen said. "The average age of our high endurance cutters is over 41 years compared to 14 years for a Navy ship. The condition of our fleet continues to deteriorate, putting our crews at risk, jeopardizing our ability to do the job," he said. Semper Paratus?  
[www.uscg.mil/](http://www.uscg.mil/)

**\*\*\*India Debut Delayed** ..... as the 1st publicly owned container port capable of handling post-Panamax vessels, originally due to open in early 2010, now looks set to open at the end of the year. The port, in Cochin in southwestern India, is managed by DP World and will give access to large containerhips that so far can only call one other port in the country, the privately owned & operated Mundra Port in the western state of Gujarat. The first phase of the terminal, the part due to open this year, will have capacity for 1 million TEUs with space to scale the terminal up to 3 million TEUs of capacity if demand necessitates.

**\*\*\*Owner Operator Truck Duel Continues** ..... as a federal court ruling on the Port of Los Angeles' clean trucks plan will not significantly affect a lower court ruling that temporarily halts the port from implementing most of the port's concession requirements, according to American Trucking Assn. A three-judge panel of the 9th Circuit Court of Appeals ruled Feb. 24 to allow the port to continue enforcing certain motor vehicle safety-related provisions contained in its

concession plans. The ruling did not change a previous court decision to allow owner-operators to continue operating at the port. The port had sought to only allow drivers who were employees of trucking companies. ATA spokesman Clayton Boyce said the overall ruling was "not significant. It doesn't change the status quo at all," he said. "We've already won the bulk of the case. The case is scheduled for trial in mid-March in Los Angeles federal court.

**\*\*\*After A Disasterous 2009 On The Lakes** ..... a rebounding steel industry has helped the U.S.-Flag Great Lakes fleet get off to a positive start in 2010. Cargo moved in U.S.-Flag lakers in January totaled 2.4 million tons, an increase of 156% compared to a year ago. The bulk of those cargos was iron ore for steel production. Shipments topped 1.8M tons, an increase of 196% compared to the corresponding period last year. There has been a steady increase in operating rates at the nation's steel mills, and most of the iron ore consumed at domestic mills is shipped on the Great Lakes. Coal cargos also registered a significant increase. The 495,000 tons carried in Jan. represent an increase of 65%. The fleet is now in winter lay-up. The final dry-bulk cargo, 39,324 tons of iron ore, was delivered on Feb. 1.

**\*\*\*China Has Not Slowed Down** .... as the PRC Ministry of Industry & Information Technology says the gross output of China shipbuilding industry was \$80.3Bn in 2009, up by 28.7%. The ministry said growth was 31.1% slower than in 2008.

**\*\*\*Waterways Council, Inc. Video Presentation, "Keep America Moving"** ..... safe, economical & green. The film highlights the critical value of the inland waterways system to jobs, to the environment & energy efficiency, and to traffic congestion relief.

[www.youtube.com/watch?v=kFKCeDlyEpQ](http://www.youtube.com/watch?v=kFKCeDlyEpQ)

TV Commercial

[www.youtube.com/watch?v=QNPZJHNHSIU](http://www.youtube.com/watch?v=QNPZJHNHSIU)

**\*\*\*Bubble Heads** ..... as NYK Line & Mitsubishi Heavy Industries said they will begin experiments on an air-lubrication system to reduce carbon dioxide emissions from ships. Jointly developed by the companies, this system reduces friction between the hull & seawater by using bubbles generated by supplying air to the vessel's bottom. The companies said the first permanent installation of the system using an air-blower is expected to reduce CO2 emissions by about 10%. The experiments will be conducted using a "module carrier" operated by NYK-Hinode Line. The module carrier is a special heavy load carrier with a roll-on/roll-off rampway to transport thousand-ton prefabricated structures of plant facilities to be installed at oil/gas development sites, or other industrial locations. The companies explained "compared to other large vessels, a module carrier has a wide, shallow-draft hull that generates relatively little water pressure & accordingly minimizes the electric energy required by an air blower to supply air to the vessel's bottom. Moreover, due to the flat, wide bottom, the supplied air is considered to be readily retained under the vessel's bottom. For these reasons, it has been determined that experiments into the effectiveness of CO2 reduction can be verified using module carriers." Construction of the vessels will be completed on March 31 & in late Nov.

[www.japancorp.net/Article.Asp?Art\\_ID=22544](http://www.japancorp.net/Article.Asp?Art_ID=22544)

**\*\*\*Throughput >>>** The Port of Long Beach said its Jan. volume expanded 7.4% year-on-year, the second consecutive month of growth for the key U.S. container gateway, as the port handled 428,805 TEUs in Jan., compared to 399,295 in Jan. 2009. Imports rose 8.6% to 217,925 TEUs, while exports rose 27.9% to 113,183 TEUs. Empties declined 11.3% to 97,697 TEUs. >>> Tropical Shipping moved 48,300 TEUs during the 4th quarter compared to 50,800 in the same 2008 period

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

1795 - The U.S. Navy Office of Purveyor of Supplies is established. This is officially recognized as the Navy Supply Corps Birthday.

1813 - [USS Hornet](#), under command of Capt. James Lawrence, captures [HMS Peacock](#).

1814 - [USS Constitution](#) captures British brig [Catherine](#)

1844 - The [Peacemaker](#), an experimental 14-inch gun, explodes aboard [USS Princeton](#).

1893 - [USS Indiana](#) (BB 1), the first true battleship in the U.S. Navy, is launched.  
1919 - [USS Osmond Ingram](#) (DD 255), the first Navy ship named for an enlisted man, is commissioned.  
1944 - Carrier groups under Adm. Raymond Spruance attack Saipan, Tinian & Rota in the Marianas.  
1945 - U.S. Marines and a Navy corpsman raise the American flag on Mt. Suribachi, Iwo Jima. The scene has been forever remembered on the U.S. Marine Corps War Memorial in Washington, D.C.  
1984 - Five people died, three were injured, and 22 people rescued when [M/T American Eagle](#) exploded 180 miles SE of New Orleans. An AIRSTA New Orleans HH-3 took the 3 injured crewmen ashore while a British tanker watched over the crippled ship until a commercial tug could arrive. The new day [American Eagle](#) started to break up & sink.  
1991 - Forces from the U.S., UK, France, Saudi Arabia, United Arab Emirates, Bahrain, Qatar, Oman, Egypt, Syria & Kuwait proceed with major ground, air & naval offensive to drive Iraq out of Kuwait.  
2001- The tugboat [Swift](#) sank after colliding with the freighter [M/V A.V. Kastner](#) on the Elk River in the upper Chesapeake Bay. Two crew perished.

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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](http://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](http://www.cargolaw.com/gallery.html)

See our new feature for Feb. 2010: "**Getting Gil**" - death duel in the Antarctic  
[www.cargolaw.com/2010nightmare\\_sea.shepard..html](http://www.cargolaw.com/2010nightmare_sea.shepard..html)

See also: :  
"**Bear Eats Cub**"  
[www.cargolaw.com/2010nightmare\\_alaska\\_cub.html](http://www.cargolaw.com/2010nightmare_alaska_cub.html)

"**Flying 101**"  
[www.cargolaw.com/2000nightmare\\_singles.only.html#Kulula.Air](http://www.cargolaw.com/2000nightmare_singles.only.html#Kulula.Air)

See our newest photo feature "**Singles Only**" - Transportation Disasters Told In A Single Photo!  
[www.cargolaw.com/2000nightmare\\_singles.only.html](http://www.cargolaw.com/2000nightmare_singles.only.html)

Daily Vessel Casualties ..... as we don't want you to miss the excitement of our 24 hour reports of the dramatic events at sea each day -- stories of casualties & pirates --- almost none of which are carried on your local news. Edited daily by **Christoph Wahaner, Esq.** of **Countryman & McDaniel**.  
[www.cargolaw.com/presentations\\_casualties.php](http://www.cargolaw.com/presentations_casualties.php)

**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 & your amusement.....

**Cargo & Trade>>>>>>**

Buying U.S. Agricultural & Food Products

[www.fas.usda.gov/agx/buying\\_us/buying\\_us\\_products.asp](http://www.fas.usda.gov/agx/buying_us/buying_us_products.asp)

Global Trade Tutorial ..... designed to help all exporters

[www.tradeport.org/tutorial/index.html](http://www.tradeport.org/tutorial/index.html)

Int'l Organization For Standardization (ISO)

[www.iso.org/iso/home.htm](http://www.iso.org/iso/home.htm)

ISO FAQ

[www.iso.org/iso/theisocafe.htm](http://www.iso.org/iso/theisocafe.htm)

ISO Agreement on Technical Barriers to Trade

[www.standardsinfo.net/info/livelink/fetch/2000/148478/6301438/intrade.html](http://www.standardsinfo.net/info/livelink/fetch/2000/148478/6301438/intrade.html)

Lloyd's Interactive Piracy Timeline

[www.lloydslist.com/ll/media/siteArticle.htm?articleId=20017604966](http://www.lloydslist.com/ll/media/siteArticle.htm?articleId=20017604966)

MARPOL Training Institute (MTI)

<http://marine-npdes.com>

Nigeria Country Commercial Guide for U.S. Companies

[www.buyusainfo.net/docs/x\\_2601303.pdf](http://www.buyusainfo.net/docs/x_2601303.pdf)

Nigeria Customs Service

[www.customs.gov.ng/](http://www.customs.gov.ng/)

Nigerian Trade ..... really

[www.tradeinvestnigeria.com/](http://www.tradeinvestnigeria.com/)

**Port of Long Beach: Gerald Desmond Bridge Replacement**

[www.polb.com/about/projects/gdb.asp](http://www.polb.com/about/projects/gdb.asp)

Video

[www.youtube.com/portoflongbeach#p/u/0/mkjRBkfNGaE](http://www.youtube.com/portoflongbeach#p/u/0/mkjRBkfNGaE)

**TradePort Facilitates Global Trade** ..... free information & resources for businesses that seek to conduct int'l trade

[www.tradeport.org/](http://www.tradeport.org/)

**U.S. Ag Exporter Database**

<http://fas1.agexportservices.org/Apps/StoreFronts/search.asp>

**U.S. Customs & Border Protection (CBP) Accomplishments of Customs-Trade Partnership Against Terrorism (C-TPAT) Program 2009**

[www.cbp.gov/xp/cgov/newsroom/news\\_releases/national/02032010\\_2.xml](http://www.cbp.gov/xp/cgov/newsroom/news_releases/national/02032010_2.xml)

U.S. Customs & Border Protection: Notices of Quota Opening & Closing Dates

[www.cbp.gov/xp/cgov/trade/trade\\_programs/textiles\\_and\\_quotas/qbts/qbt2010/](http://www.cbp.gov/xp/cgov/trade/trade_programs/textiles_and_quotas/qbts/qbt2010/)

U.S. Dept. of Commerce's Bureau of Industry & Security Compliance Guidelines ..... to ensure export decisions & transactions comply with regulations

[www.bis.doc.gov/complianceand enforcement/emcp\\_guidelines.pdf](http://www.bis.doc.gov/complianceand enforcement/emcp_guidelines.pdf)

**U.S. Dept. of Homeland Security (DHS) 2011 Budget Request**

[www.dhs.gov/ynews/releases/pr\\_1265049363469.shtm](http://www.dhs.gov/ynews/releases/pr_1265049363469.shtm)

U.S. Dept. of State's (DOS) Directorate of Defense Trade Controls: Frequently Asked Questions

[www.pmdt.c.state.gov/faqs/index.html](http://www.pmdt.c.state.gov/faqs/index.html)

U.S. Food and Drug Administration (FDA): Global Safety of Food & Medical Products

[www.fda.gov/NewsEvents/Speeches/ucm199926.htm](http://www.fda.gov/NewsEvents/Speeches/ucm199926.htm)

USDA Foreign Agricultural Service

[www.fas.usda.gov/](http://www.fas.usda.gov/)

U.S. Geological Survey's Mineral Commodity Summaries 2009.

<http://minerals.usgs.gov/minerals/pubs/mcs/2009/mcs2009.pdf>

**PRODUCTS>>>>>>>>>>**

**Ocean Transportation, By Carl E. McDowell & Helen M. Gibbs - Beard Books** ..... unique historical perspective of the shipping industry in the U.S. in the days following World War II.

[https://ecommerce.beard.com/beardbooks/ocean\\_transportation.html](https://ecommerce.beard.com/beardbooks/ocean_transportation.html)

**Portable Storage Corp.**

[www.StorageContainer.com](http://www.StorageContainer.com)

**EVENTS>>>>>>>>>>**

**Transport Events**

[www.transportevents.com/](http://www.transportevents.com/)

Trade Shows, Exhibitions, Conferences & Business Events Worldwide

[www.eventseye.com/](http://www.eventseye.com/)

World Trade Organization Events

[www.wto.org/english/news\\_e/meets.pdf](http://www.wto.org/english/news_e/meets.pdf)

10th Trans-Pacific Maritime Conference..... March 1 & 2, 2010 - Long Beach, CA

<http://guest.cvent.com/EVENTS/Info/Summary.aspx?e=e53aa686-c0b4-42b1-a81a-0251ddb9ba7f>

17th Annual Insurance Insolvency & Reinsurance Roundtable .....March 24-27, 2010, Scottsdale, Arizona

<http://litigationconferences.com/?p=4207>

2010 Shanghai World Expo ..... May 1 - Oct. 31 2010

[www.worldexpochina.net/](http://www.worldexpochina.net/)

AirCargo 2010 .....March 14-16, Orlando, Fla.

[www.aemca.org/AC\\_conference/Welcome.html](http://www.aemca.org/AC_conference/Welcome.html)

Commercial Vehicle Operator Show ..... April 13-15, 2010, Birmingham, UK

[www.cvoperatorshow.com/](http://www.cvoperatorshow.com/)

Export-Import Bank of the U.S. (Ex-Im Bank) 2010 Annual Conference, "Exports Live!"

.....March 10 - 12, 2010, Washington, D.C.

[www.exim.gov/news/annualconf/2010/ann\\_conf\\_2010.cfm](http://www.exim.gov/news/annualconf/2010/ann_conf_2010.cfm)

IATA World Cargo Symposium 2010 ..... March 8-11. Vancouver  
[www.iata.org/events/wcs10/index.htm](http://www.iata.org/events/wcs10/index.htm)

Intermodal South America ..... 6-8 April 2010, Sao Paulo, Brazil  
[www.intermodal.com.br/](http://www.intermodal.com.br/)

Let's Say Thanks In Support of Our Troops ..... personalize your special message - free, thanks to Xerox  
[www.LetsSayThanks.com](http://www.LetsSayThanks.com)

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

Package & Label Your Products for Export  
[www.businesslink.gov.uk/bdotg/action/layer?r.s=m&r.l1=1079717544&r.lc=en&r.l3=1078027562&r.l2=1077717216&topicId=1078027562&r.i=1078027697&r.t=RESOURCES](http://www.businesslink.gov.uk/bdotg/action/layer?r.s=m&r.l1=1079717544&r.lc=en&r.l3=1078027562&r.l2=1077717216&topicId=1078027562&r.i=1078027697&r.t=RESOURCES)

SCOPE East Supply Chain Conference ..... April 11- 13, Rosen Shingle Creek Orlando  
[www.scopeeast.com](http://www.scopeeast.com)

Transportation & Logistics Council 36th Annual Conference .... April 18-21, 2010, San Diego, CA  
[www.tlcouncil.org](http://www.tlcouncil.org)

**U.S. Customs and Border Protection (CBP): "The Rulings Process Reviewed."**  
[www.cbp.gov/linkhandler/cgov/trade/trade\\_outreach/presentations09/rulings\\_present.ctt/rulings\\_present.pdf](http://www.cbp.gov/linkhandler/cgov/trade/trade_outreach/presentations09/rulings_present.ctt/rulings_present.pdf)

**U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) Supply Chain Security Training Seminar** ..... 16-18 March 2010, Anaheim, CA  
[http://www.cbp.gov/xp/cgov/trade/cargo\\_security/ctpat/ctpat\\_supply\\_chain.xml](http://www.cbp.gov/xp/cgov/trade/cargo_security/ctpat/ctpat_supply_chain.xml)

**Virginia Maritime Assn. 7th annual Int'l Trade Symposium** ..... May 13, 2010, Norfolk  
[www.vamaritime.com/symposium](http://www.vamaritime.com/symposium)

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

**Worldwide Legal Airports Lawyers Conference** ... April 15-16, Lisbon  
[www.worldairportslawyers.org/Portada.asp](http://www.worldairportslawyers.org/Portada.asp)

**Webinars**>>>>>>>>>>>

Longshore: The Most Current Longshore Court Decisions .....March 4, 2010, 1PM CST  
[www.longshore.org/Registration2.asp](http://www.longshore.org/Registration2.asp)

Trade Winds 2010: "The Americas" ..... webinar series through March 2010  
[www.export.gov/eac/show\\_detail\\_trade\\_events.asp?EventID=29809](http://www.export.gov/eac/show_detail_trade_events.asp?EventID=29809)

**Apps For That**>>>>>>>>>

Package Tracker ..... AWBs for all major carriers

**General Interest**>>>>>>>>>

Cathay Pacific's 'I Can Fly' Program  
[www.cathayusa.com/icanfly/](http://www.cathayusa.com/icanfly/)

Cell Phone Fun

<http://media.mtvnservices.com/mgid:cms:mvideo:cmt.com:40319>

Champagne

[www.champagne.us/](http://www.champagne.us/)

Fly Girls

<http://articles.latimes.com/2010/jan/10/entertainment/la-ca-fly-girls10-2010jan10>

The Griswolds: Hotel Hell Vacation

[http://vacation.homeaway.com/vacation/?icid=IL\\_Sparky\\_PR\\_T\\_Hero\\_Hero\\_Micro](http://vacation.homeaway.com/vacation/?icid=IL_Sparky_PR_T_Hero_Hero_Micro)

How To Load A Commercial Dump Truck Onto A Sailboat!

[www.autoblog.com/2010/01/06/video-how-to-load-a-commercial-dump-truck-onto-a-sailboat/?icid=main|htmlws-main-n|dl6|link7|http%3A%2F%2Fwww.autoblog.com%2F2010%2F01%2F06%2Fvideo-how-to-load-a-commercial-dump-truck-onto-a-sailboat%2F](http://www.autoblog.com/2010/01/06/video-how-to-load-a-commercial-dump-truck-onto-a-sailboat/?icid=main|htmlws-main-n|dl6|link7|http%3A%2F%2Fwww.autoblog.com%2F2010%2F01%2F06%2Fvideo-how-to-load-a-commercial-dump-truck-onto-a-sailboat%2F)

Lightning Reveals Its Power in Slow Motion

[www.wired.com/thisdayintech/2010/02/gallery-lightning](http://www.wired.com/thisdayintech/2010/02/gallery-lightning)

Newseum Daily Front Page

[www.newseum.org/todaysfrontpages/flash/](http://www.newseum.org/todaysfrontpages/flash/)

UPS Racing: US\$100,000 Trackside Prize Challenge!

[www.racing.ups.com/](http://www.racing.ups.com/)

Terrafugi: Street Legal Airplane

[www.terrafugia.com/](http://www.terrafugia.com/)

Texas Style Deposition

[www.youtube.com/watch?v=ZlxmrvbMeKc](http://www.youtube.com/watch?v=ZlxmrvbMeKc)

The Path Between the Seas: The Creation of the Panama Canal 1870-1914

[www.amazon.com/Path-Between-Seas-Creation-1870-1914/dp/product-description/0743262131](http://www.amazon.com/Path-Between-Seas-Creation-1870-1914/dp/product-description/0743262131)

Wedding Photos

[www.youtube.com/watch?v=7NF3OWNJgYw](http://www.youtube.com/watch?v=7NF3OWNJgYw)

Which Cocktail Are You?

<http://lyris.scrippsnetworksnewsletters.com/t/3560589/210370098/70653/0/>

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**OUR "E" Section: The Forwarder/Broker World\*\*\***

7. New U.S. Transport Related Legal Cases \_\_\_\_\_

***ProShipLine Inc. v. Aspen Infrastructures***

U.S. 9th Circuit Court of Appeals

3 Feb. 2010, No. 08-35337

**Admiralty Law / Rule B Attachment / Showing Lack of Presence in District and Alternative Remedies** -- Opinion: ProShipLine, Inc. ("PSL") and E-P Team, Inc. (EP) appealed from two

district court decisions in favor of defendant-appellee Aspen Infrastructures Ltd. ("Aspen") involving a writ of attachment obtained against Aspen. Notwithstanding a forum-selection and arbitration provision, when the business relationship terminated, litigation regarding the parties agreement ensued in district courts in Texas, New York & Washington. The Texas court initially issued a writ of attachment, but subsequently vacated the writ because EP and PSL did not show that Aspen could not be "found" within the district. In New York, Aspen brought suit against EP individually alleging admiralty jurisdiction and seized funds belonging to EP pursuant to a writ of attachment. PSL then filed a separate action against Aspen, obtained a writ of attachment, and



subsequently garnished Aspen and seized approximately US\$2M from Aspen's bank accounts. The New York court vacated PSL's writ based on the mutual presence of PSL and Aspen in Texas, and on appeal the 2nd Circuit affirmed. In Washington, PSL and EP obtained another writ of attachment against Aspen. Aspen posted security in lieu of allowing a garnishment of the fuel and lube oil aboard one of Aspen's chartered vessels within the district. Weeks later, EP and PSL attempted to repeat the process with a second ship chartered by Aspen, but Aspen would not provide security. The Washington court found that it could not compel Aspen to provide security, and EP and PSL removed the fuel and lube oil from the ship despite alleged impracticality. The district court granted Aspen's motion to vacate the writ and exonerate the security it had posted, finding that equitable vacatur was appropriate because the agreement did not give rise to admiralty jurisdiction, res judicata applied from the second New York decision, and attachment was improper because all parties were present in Texas. The 9th Circuit first held that under the "conceptual approach," because maritime commerce was the agreement's "principal objective" and had an "undeniably maritime flavor" under Norfolk Southern Railway Co, admiralty jurisdiction was proper. The 9th Circuit further held that res judicata was inappropriate because the claims litigated in New York lacked the same "transactional nucleus." Moreover, the 9th Circuit held the district court's application of equitable vacatur to EP individually was an abuse of discretion because EP could not be found to be "located" in Texas. The 9th Circuit held that EP must be located in "the" district where in personam jurisdiction over Aspen was alleged and not "a" or "any" district under Aqua Stoli Shipping. The 9th Circuit also held that nothing in the Supplemental Admiralty and Maritime Claims Rule E(4)(b) and E(5) "remotely grants district courts" authority to order a party to post security in lieu of garnishment. Since the writ was improperly vacated as to EP individually, the order to reimburse Aspen for the value of the garnished property is also improper. AFFIRMED in part, REVERSED in part and REMANDED.

**Read The Decision:**

[www.ca9.uscourts.gov/datastore/opinions/2010/02/03/08-35337.pdf](http://www.ca9.uscourts.gov/datastore/opinions/2010/02/03/08-35337.pdf)

\*\*\*Countryman & McDaniel Practice Tip For Readers Acting In Haiti Air Charter Relief ..... as air charter brokers (ACBs), if properly operated, are agents or middlemen liable only for their own independent actions. ACBs are reminded to review proper operating procedures to avoid inadvertent liability as an indirect air carrier. Under the Montreal Convention, which governs all international air carriage to and from the United States, an entity considering itself an air charter broker can be deemed an IAC without even issuing an air waybill. If acting as agent of the customer, the ACB's contract must not suggest the ACB is a principal providing air transportation; the air carrier must be identified. If acting as a true "middleman," the ACB finds an appropriate charter operator on behalf of its customer with whom the customer then contracts directly for the charter flight(s); the ACB is in this scenario neither the agent for the customer nor the air carrier but is rather paid separately for its services. The consequence for conceivably - albeit inadvertently - acting as an IAC rather than a broker is liability as an airline in the event of carrier performance failure, cargo damage, personal injury or catastrophic loss. Additionally, if deemed an IAC by the Assistant General Counsel for Aviation Enforcement and Proceedings, administrative action and penalty of up to US\$25,000 per violation may be levied absent proper Dept. of Transportation authority to act as an IAC.

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

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