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 Law Offices of Countryman & McDaniel  
**THE CARGO LETTER** [465]  
 Air & Ocean Logistics - Customs Broker News  
 27 May 2010  
**Part 1 of 1**  
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Good Thursday 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**." There was no "**The Cargo Letter**" for April 2010, as we paused to celebrate the **Marriage of Byron E. Countryman**. Thanks to the so many of you who took the time to send email congratulations to the Bride & Groom!

On May 6, **Michael McDaniel** of **Countryman & McDaniel** presented his paper on piracy & the embarking of armed guards to the **Biennial Marine Seminar of The Board of Marine Underwriters of San Francisco** at the **Palace Hotel** at San Francisco.  
<http://cargolaw.com/Piracy-5-10.pdf>

Happy U.S. Memorial Day! On the Memorial Day holiday, Americans remember and honor those brave men & women who have given their lives in defense of our nation and the cause of liberty. It is a most solemn day and we hope all who live in freedom or yearn to do so will contemplate the great debt that we, the living, owe to those who have made our lives and our freedoms possible.

Here is news of our industry for May 2010.

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** \_\_\_\_\_

**\*\*\*Relations With Libya** ..... as the Office of the U.S. Trade Representative (USTR) has signed a Trade and Investment Framework Agreement (TIFA) between the U.S. & Libya. The TIFA will "provide a forum to address trade issues and will help build trade and investment relations between the United States & Libya." The TIFA also creates a U.S.-Libya Council on Trade and Investment, which will serve to address several trade related issues, such as intellectual property rights, market access, the increase of both commercial & investment opportunities, and the removal of any hindrances to trade between the two countries. The U.S. restored diplomatic relations with Libya in 2006, after 27 years of estrangement. In 2009, Libya was the United States' 69th-largest goods trade partner with US\$2.6Bn in two-way trade.  
[www.ustr.gov/about-us/press-office/press-releases/2010/may/united-states-libya-sign-trade-and-investment-framework](http://www.ustr.gov/about-us/press-office/press-releases/2010/may/united-states-libya-sign-trade-and-investment-framework)

**\*\*\*Direct Stimulus Aid For Her Own** .....the Chinese government has introduced a tax exemption for transportation companies aimed at helping them recover from a slump in demand last year, Bloomberg has reported. The exemption will aid shipping lines & airlines, as it exempts the companies from paying business tax on int'l services. Both cargo & passenger services are eligible for the exemption, according to the report. The China COSCO Group, the state-owned parent of liner carrier COSCO Container Lines, said the exemption would save the group about US\$6M. Air China, the state-owned national carrier, said it would save about US\$80M. U.S. stimulus went everywhere except directly to our industry.

**\*\*\*Buyers Market For Transport Liability Coverage** ..... as the NIP Group, Inc. released the results of the Transportation Insurance Pricing Survey (TIP) for the 1st quarter of 2010. Used to benchmark changes in the availability and rates in the transportation insurance market, the survey was issued to leading transportation insurance brokers, wholesalers & underwriters representing thousands of account placements. Survey participants report that rate pressures continued to intensify for the medium & large account sizes in almost all market segments and lines of business. Over 95% of the respondents reported that during the 1st quarter, the transportation insurance market was flat or softer when compared to Q4 2009. More than half of respondents believe underwriting capacity has increased with more insurers active in the transportation market. The study observed rates continuing to fall with increasing intensity almost across the board. It appears we are experiencing another leg down in rates. There is no excuse for logistics companies not protecting themselves & customs with liability coverage. It's a buyers market. Get the report.  
[www.nipgroup.com/corporate/tips-results-q1-2010/](http://www.nipgroup.com/corporate/tips-results-q1-2010/)

**\*\*\*Programs Boost U.S. Ag Exports** ..... as an IHS Global Insight study found the U.S. Dept. of Agriculture's int'l market development programs have significantly increased trade in U.S. agricultural goods overseas. The study, A Cost-Benefit Analysis of USDA's Int'l Market Development Programs, focused specifically on the department's Market Access Program (MAP) and the Foreign Market Development Program (FMD), which are both administered by the Foreign Agricultural Service. By 2009, the study concluded the increase in market development spending since 2002 increased U.S. export market share by 1.3% and the annual value of U.S. agricultural exports by US\$6.1Bn. Export gains related to the programs increased the average annual level of U.S. farm cash receipts by US\$4.4Bn and net cash farm income by US\$1.5Bn. At the same time, U.S. domestic support payments were reduced by roughly US\$54M annually due to higher prices from increased demand abroad, thus reducing the net cost of the programs. Get the report:  
[www.wheatworld.org/wp-content/uploads/trade-global-insight-map-report-march2010-20100423.pdf](http://www.wheatworld.org/wp-content/uploads/trade-global-insight-map-report-march2010-20100423.pdf)

**\*\*\*Can Your Import Plants Feel The UOMs?** ..... as the Animal & Plant Health Inspection Service (APHIS) of the U.S. Dept. of Agriculture (USDA) will no longer accept counts of items, i.e. pieces (PCS), numbers (NO), or dozens (DOZ), as valid Units of Measure (UOMs) when reporting Lacey Act data. The valid UOMs for Lacey Act plant material quantities will be "standardized metric units" of kilograms (kg), meters (m), meters squared (m2) and meters cubed

(m3). The values associated with these UOMs should "reflect the actual plant content in the product and not necessarily the product as a whole." A grace period will remain in effect until July 1, 2010.

[www.aphis.usda.gov/plant\\_health/lacey\\_act/downloads/ClarificationQuantityandUnitofMeasure.pdf](http://www.aphis.usda.gov/plant_health/lacey_act/downloads/ClarificationQuantityandUnitofMeasure.pdf)

**\*\*\*Speeding Broker Licensing** ..... as U.S. Customs & Border Protection Commissioner Alan Bersin plans to release US\$1M from his personal reserve account to significantly accelerate the process of issuing customs broker licenses. Under the existing paper-intensive process, it can take one year or more from the time an applicant passes the broker exam until he or she receives a license. The agency eventually wants to shorten that time to 90 days.

**\*\*\*U.S. - Mexico Collaboration** ..... as on May 19 the White House said the Governments of the United States of America and the United Mexican States announced plans with regard to management of the border between the two countries. In the release, both parties declare willingness to restructure the management process of the U.S.-Mexico border. Several areas of collaboration are outlined; these areas include:

- Further development & mutual recognition of "trusted shipper" programs, such as the Customs-Trade Partnership Against Terrorism (C-TPAT);
- Pre-screening and pre-clearance of goods at strategic border locations; and
- The "standardized collection and single entry of trade data."

[www.whitehouse.gov/the-press-office/declaration-government-united-states-america-and-government-united-mexican-states-c](http://www.whitehouse.gov/the-press-office/declaration-government-united-states-america-and-government-united-mexican-states-c)

**\*\*\*Drawing Back Draw Back** ..... as U.S. Customs & Border Protection will close its Los Angeles drawback center, effective June 4, due to decreases in claim filings and values at the processing center. The closure is part of CBP's planned consolidation of its drawback program. The reduction in processing offices would leave the agency with 4 more regionally located drawback centers: Chicago, Houston, New York & San Francisco. Duty drawback payments are made to parties claiming refunds on import duty payments for goods that are later exported or used in the manufacture of exported articles. Drawback? Just try to recover duty in many other parts of the world.

<http://edocket.access.gpo.gov/2010/pdf/2010-10506.pdf>

**\*\*\*Big Brown Brands Vietnam** ..... as UPS and P&T Express have established **UPS Vietnam** as a joint stock company to expand UPS's footprint and better serve customers in Vietnam. "We are extremely pleased to partner with UPS as this collaboration will boost our combined efforts to connect Vietnamese businesses to the rest of the world, and to jointly grow the business" Through the joint stock company, UPS will invest in new facilities in key commercial and industrial centers across Vietnam to widen access to growing intra-Asian capability and connect to the global UPS network. UPS will extend its express pickup and delivery service to 63 provinces in Vietnam and offer later pick-up and cut-off times. Terms of the deal were not disclosed.

**\*\*\*FedEx Trade Networks Expands** ..... as the freight forwarding subsidiary of FedEx has opened new offices in Warsaw and Gdynia, Poland, as well as one in Dubai. FedEx Trade Networks has opened 25 new freight forwarding offices globally since an expansion plan began in 2008.

**\*\*\*U.S. Head of Steam** .... as the Assn. of American Railroads said that U.S. freight railroads continued to experience traffic gains for the 11th consecutive week, in the week ended May 8. U.S. railroads originated 288,905 carloads last week, up 14.7% from the comparable week in 2009. However, carloads were still down 13.9 % from the same week in 2008. Carload volume on eastern railroads was up 16.3 % from last year, but down 20.1% from 2008. In the West, carload volume was up 13.7% from last year but down 9.1% from 2 years ago.

**\*\*\*U.S. intermodal Rail Traffic Volume Up** ..... as it gained 8.4% in the 4th quarter, an improvement over the prior year 4th quarter's decline of 6.4%, the Intermodal Assn. of North America said. Domestic container volume showed the strongest growth of all the categories IANA tracks, gaining 15.7% to 1,034,036 units in the quarter, the group said. The domestic container gain shows that the increase in volume "is not just a rebound from last year's depressed volume levels," IANA said. Trailers declined 5.9% in the 1st quarter to 383,364, from 407,206 last year. All domestic equipment grew 9% to 1,417,400 units, while int'l containers increased 7.8% to 1,601,910. Traffic in each region grew at least 6% in the quarter, except the Southwest, which gained 2.8%.

**\*\*\*3PL Kick Backs - Got Tickets To The Game?** ..... as freight forwarders Panalpina & CEVA Logistics responded to this month's U.S. Justice Dept. statement that it has intervened in a whistleblower lawsuit against Kellogg Brown & Root (KBR). The suit alleges employees of the two freight forwarders doing business with the companies provided unlawful kickbacks to KBR transportation department employees. KBR is the prime contractor under the Logistics Civil Augmentation Program (LOGCAP III) contract for logistical support of U.S. military operations in Iraq. The government said it is pursuing allegations that Eagle Global Logistics & Panalpina provided unlawful kickbacks in the form of meals, drinks, tickets to sports events & golf outings to KBR employees. The government said it would seek damages and penalties under the False Claims Act and common law, as well as penalties under the Anti-Kickback Act. Eagle Global Logistics has since merged with TNT Logistics and become CEVA.

**\*\*\*Probing U.S. Technology** ..... as after a 5-week trial, a federal jury in Massachusetts has found two Chinese nationals guilty of illegally conspiring to violate U.S. export laws & illegally exporting electronic equipment from the United States to China. According to the U.S. Justice Dept., several Chinese military entities were among those receiving the exported equipment. The exported equipment is used in electronic warfare, military radar, fire control, military guidance & control equipment, and satellite communications, including global positioning systems, the Justice Dept. said. Zhen Zhou Wu, also known as Alex Wu and Yufeng Wei, also known as Annie Wei both face up to 20 years in prison to be followed by 3 years supervised release and a US\$1M fine. After serving their sentence, both will face deportation to China.

**\*\*\*Balli Aviation Ltd. Record Export Violation** ..... as a subsidiary of the U.K.-based Balli Group PLC, was sentenced in the U.S. District Court for the District of Columbia on May 12 to pay a US\$2M fine and to serve a 5-year corporate period of probation after pleading guilty on Feb. 5 to a two-count criminal information in connection to its illegal export of commercial Boeing 747 planes from the United States to Iran. The US\$2M, combined with a related US\$15M, civil settlement is one of the largest fines for a U.S. export violation in the history of the Commerce Dept's Bureau of Industry & Security. According to count one of the criminal information filed with the court, from Oct. 2007 to July 2008, Balli Aviation conspired to export three B747s from the U.S. to Iran without obtaining the required export licenses from BIS or authorizations from the Treasury Dept's Office of Foreign Assets Control.

[www.balli.co.uk/About us/Overview.asp](http://www.balli.co.uk/About_us/Overview.asp)

**\*\*\*Plan For Narrow Motor Freight Buyers Window** ..... as shippers should expect trucking rates to rise as motor carriers capitalize on a relative shortage of capacity caused by a range of factors from the 2009 demand downturn, according to a note from the consultancy IHS Global Insight. "Capacity in the motor carrier segment has decreased from its overabundance of a few years ago," said Charles W. Clowdis Jr., managing director of transportation advisory services for IHS Global Insight. "To provide increased capacity as the economy recovers, rate increases are a certainty. Ample capacity will be required to enable suppliers to ship to factories that in turn ship to customers and distribution centers." Clowdis explained that the 2009 crisis thinned the herd of a fragmented trucking industry.

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

**\*\*\*Who Was That Guy Who Just Pulled Our Load? ....** as the American Trucking Associations (ATA) applauds the U.S. Dept. of Transportation's (DOT) implementation of a Pre-Employment Screening Program for professional truck drivers, which is one item on ATA's 18-point safety agenda. The program provides a new safety screening tool for trucking company employers to evaluate a potential driver's prior safety performance by giving them access to a driver-applicant's history of roadside driver and vehicle inspection violations, traffic law violations and DOT reportable crashes upon the applicant's written consent. To participate in the program & submit inquiries, motor carriers must first enroll in the program ([link](#)). Carriers who are already enrolled may begin querying FMCSA's Motor Carrier Management Information System for a US\$10 fee, and with a driver applicant's written consent. **Note:** Our firm sees an increased number of imposter drivers making off with freight.

[www.psp.fmcsa.dot.gov/Pages/default.aspx](http://www.psp.fmcsa.dot.gov/Pages/default.aspx)  
[www.fmcsa.dot.gov/rules-regulations/rules-regulations.htm](http://www.fmcsa.dot.gov/rules-regulations/rules-regulations.htm)

**\*\*\*Engine Sleep Restart .....** as IdleAire Inc. said that it will reopen its idle-reduction facilities at 23 truck stops after ceasing operations in January. IdleAire ceased operations Jan. 29, saying it was unable to find a buyer for its assets. IdleAire operated 131 locations in 34 states, providing filtered heating and air conditioning, electrical outlets, and a range of communications and entertainment options that allowed long-haul truck drivers to shut down their engines instead of idling for cab comfort during daily rest periods. According to the company, through January 2010, use of IdleAire service contributed to saving over 50 Million gallons of diesel fuel and prevented over 1.1 billion pounds of diesel idling emissions from entering the air.

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

**\*\*\*Truck On fire? Forget Calling 911.....** as Craig Brown of Carlton just drove a few more blocks to the McMinnville (Oregon) Fire Station when smoke started to billow from under the hood of his pickup. McMinnville Fire Marshal Eric McMullen said a firefighter who'd been outside May 9 morning washing an ambulance rushed inside to get help. Firefighters opened the hood and found flames licking around the engine. They quickly grabbed a hose and put out the fire. McMullen said the crew was happy to be able to help without leaving the station. And he adds, "We were joking today about our new drive-up service."

**\*\*\*Traffic Cop Hugo Chavez .....** as he has a new pet peeve: speeding drivers who he says are creating mayhem on Venezuela's highways. Chavez says he recently was tailgated in the slow lane by a young man in a truck who unknowingly honked at the president and then passed him on the shoulder. But Chavez didn't let it go at that. He says he chased down the vehicle -- probably with the presidential motorcade in tow -- and scolded the remorseful motorist. Chavez, who is known to enjoy driving himself on road trips from time to time, said May 9 on his weekly broadcast show that "there's madness on the highways." He urged police to crack down on speeding and spread the word that reckless driving won't be tolerated. Perhaps he can nationalize road trips.

**\*\*\*When It Absolutely Has To Be Delivered While We Are Still Alive ....** as thousands of pieces of undelivered mail and ads from the early 1990s have been found in a shed in Michigan, and a former postal worker is now charged with stealing mail. Authorities said May 24 that 66-year-old Earl Hicks was charged after his sister found the mail while cleaning a shed behind his former home in eastern Michigan. Hicks recently moved to Florida. Officials found 544 pieces of first-class mail and nearly 3,000 ads. Investigators say Hicks told them he'd become overwhelmed by his route and thought he'd lose his job if he took the mail back to the post office. Hicks was a carrier in Oak Park & Detroit. The charge carries a maximum penalty of 5 years in prison.

**\*\*\*Inbound Customs Lookie Loos .....** as visitors to Australia now have another question to answer in addition to declaring whether they are carrying any firearms, weapons or illicit drugs. Are they bringing in any pornography? The additional query was introduced in Sept. 2009, Australia Customs said May 21, adding it was designed to pick up prohibited items such as child

pornography at the border. Customs said many items of pornography were legitimately bought, possessed & viewed and these items would be returned to the passenger. Customs said the assessment of adult material would be done by officers trained to be tactful and discreet, and the question was only designed to pick up offensive items. There is a waiting list of officers who wish to serve the program.

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

**\*\*Agility Logistics. DOWN** as 1st quarter net income fell 52% to US\$62M.

**\*\*Air France-KLM. DOWN** with a US\$1.95Bn loss for the financial year to March 31. Cargo's operating loss was US\$545M.

**\*\*Maersk Line UP** with 1st quarter profit of US\$234M in the period compared to a loss of US\$457M in 2009.

**\*\*British Airways World Cargo. DOWN** 18.2% to US\$791M in fiscal year ending March 31. Cargo volume fell 2.2% during fiscal year, but yield decreased 16.4%.

**\*\*CEVA Logistics. DOWN** with 1st quarter net loss of Euro 80M (US\$100M) compared to a loss of Euro 86M in the 2009 period.

**\*\*CMA CGM. DOWN** with US\$667M in operating losses in 2009 as it endured the "deepest crisis the maritime shipping industry has ever experienced."

**\*\*YRC Worldwide Inc. DOWN** with a 1st-quarter loss of US\$274.1M, nearly the same as a year earlier.

**\*\*Neptune Orient Lines (NOL) DOWN** as 1st quarter net loss narrowed 60% year on year to US\$98M down from US\$245M same quarter loss suffered last year.

**\*\*Pacer Int'l. DOWN** with a US\$500,000 1st quarter loss, but nearing the breakeven point after a US\$177.4M loss during the same period in 2009.

**\*\*Trailer Bridge. DOWN** net loss of US\$300,000 compared to an US\$800,000 loss in the same 2009 period.

**\*\*Wilh. Wilhelmsen. DOWN** with 1st quarter net profit of US\$9.7M compared to US\$32.6M in the same 2009 period.

**\*\*Yang Ming. DOWN** with an operating loss of US\$563M in 2009, a huge increase from the US\$13M loss the container business saw in 2008.

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

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

**\*\*\*The Hard Road Back** ..... as the next two years will not be easy sailing for airlines despite an encouraging recovery in the freight market since last fall, according to transport and logistics analyst MergeGlobal. David Hoppin, managing director of MergeGlobal, warned delegates at the executive summit of The Int'l Air Cargo Assn. (TIACA) in Leipzig this month that he was "deeply concerned about the macro-economic picture in the U.S. and parts of the Eurozone". Airfreight shrank by an unprecedented 26% in value terms in 2009, from US\$60.7Bn to US\$44.9Bn. By Feb. 2010, volumes were still 9% below the peak of two years ago. Hoppin does think a double-dip recession can be avoided, but pointed out the U.S. had seen two consecutive years of declining consumption in 2008 and 2009, for the 1st time since the 1930s. People were "scared for the future" with unemployment levels likely to remain high through 2011 in North America and Europe. This had reduced demand for major lines of flown goods, including clothing, electronic products and toys. Hoppin said the "debt-fueled spending binge of recent years" was over thanks to high level of household debt, which was applying "the force of gravity on consumer spending". The Boeing 747-8, the first 130-ton capacity freighter built for scheduled services, will see its first deliveries later this year, but Hoppin suggested that not all airlines' networks could cost-effectively support these. The industry had continued to order mid-range A330 and MD-11 aircraft, not necessarily because they had the lowest operating cost but because they could be filled efficiently on a round-trip basis. "Don't assume that the market will grow to support the operation of ever-larger freighters," Hoppin concluded.

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

**\*\*\*World's Largest Airline Will Have Youngest Fleet** ..... as the proposed merger between United Airlines and Continental should close on the merger by Dec. and will then spend 2011 optimizing their networks and integrating information technology and other systems while they continue to operate as separate companies. Becker predicted they would obtain a single operating certificate from the DOT by Jan. 2012 and realize 75% of the merger's benefits in the first year. The combined airline would have more than 700 aircraft and one of the industry's youngest fleets, with an average age of 11.5 years.

**\*\*\*China's Air Cargo Volume Record** ..... as it has increased to a new monthly record of 479,600 tons in March, with int'l air cargo volume of 166,600 tons, Logistics Week reported. Passenger volume rose 20.3% year on year to 21.7 million. Growth on international routes was 12.4% faster than on domestic routes. Total turnover volume increased 34.4%. Turnover volume grew 22% on domestic lines and 64.4% on int'l lines. In the same month, China's civil aviation industry recorded a profit of US\$556.5M, surging 142%. Domestic air carriers' total profit soared 112.7% to US\$400M. Airports profit rose 352.7% to US\$127M. In the 1st quarter, the 166 airports in China recorded a total cargo volume of 2.5 million tons, up 33.2% year on year. Passenger volume totaled to 128.3 million, up 16.1%. Aircraft movements increased 13.7% to 1.2 million flights.

**\*\*\*China's Express Industry Grows** ..... as package volume & revenue both recorded a year-on-year growth of more than 20% during the first quarter of this year, according to statistics posted by China Post, quoted by the report of Logistics Week. In this period, China's express package volume increased 24.3% to 470 million pieces. Revenue of the industry increased 23.7% to US\$1.8Bn. In March, China registered an express package volume of 190 million pieces, up 24.8% year on year.

**\*\*\*FAA Slaps Atlas** ..... as the U.S. Federal Aviation Administration has charged all-cargo airline Atlas Air Inc. with two safety violations and recommended fines totaling US\$572,000. The agency said Atlas incorrectly replaced a cockpit window on a Boeing 747-400 freighter, without following manufacturer or FAA approved guidelines, and then operated 49 flights in April 2009, during which the window suffered pressurization leaks. In a 2nd instance, the FAA alleged Atlas operated a 747 without a required outboard engine pylon access door panel. It said Atlas improperly fabricated a panel cover from aluminum sheet metal and held it on with tape. The panel came off on several flights in May 2009 and a new panel was similarly cobbled together and installed in the same manner.

**\*\*\*FAA Slaps FedEx** ..... as it has proposed a **US\$1.5M** civil penalty against Federal Express for allegedly failing to ensure that it used approved standards, inspections & time limitations for 14 reefer containers used on FedEx airplanes. The civil penalty addresses 124 flights from March 20 to April 17, 2008. "When it comes to maintenance, it's unacceptable for any air carrier not to meet the FAA's standards," said FAA Administrator Randy Babbitt. A FedEx spokesman said the company would appeal the decision, saying the dispute was not a safety issue, but a disagreement about documentation, and that the company had met with the FAA before the units were put into service and approved FedEx's plans.

**\*\*\*FedEx Express Buys Freighters** ..... as in a sign of industry confidence the subsidiary of FedEx Corp. said last week it has agreed to 5 additional Boeing 777F air freighters for its fleet. The largest all-cargo airline in the world will purchase four B777Fs directly from Boeing and two from additional sources. Including last week's announcement, FedEx has agreed to purchase a total of 38 B777F aircraft. To date, FedEx said it has taken delivery of six B777Fs and four have already been introduced into service.

**\*\*\*Boeing Revs Up 737** .....as it will increase the production rate for its Next-Generation 737, the short- to medium-range jet liners it has been producing since 1996. It is the successor to a commercial jet that was introduced in 1966, and of which more than 6,000 have been delivered. The aircraft builder explained it will raise its output from 31.5 to 34 jets per month in response to

"continued strong demand." The 737s are manufactured at Boeing's Renton, Wash., manufacturing complex. There are more than 2,000 unfilled orders for the Next-Generation 737 from more than 80 customers, Boeing said.

**\*\*\*Int'l Air Cargo Assn. (TIACA) Welcomes Forwarders** ..... as it has launched a campaign to attract forwarders with offers of reduced membership fees and exclusive access to a new air logistics network providing value-added reference tools for cargo operators. Membership for forwarders will be US\$300 a year, compared to the previous fee of US\$1,000. The air logistics network will offer an online Reference Centre to provide useful links to practical regulatory and commercial references and tools to support the work of cargo agents with access to members. Shippers, the ultimate customers of the global air cargo supply chain, are being invited to join TIACA free of charge.

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

[www.tiaca.org/tiaca/NewsBot.asp?MODE=VIEW&ID=7375&](http://www.tiaca.org/tiaca/NewsBot.asp?MODE=VIEW&ID=7375&)

**\*\*\*Sahara Air Cargo Enters A BIG Challenge** ..... as it has commenced operations in Tanzania and will start operating in east and central Africa. With a single freighter, Sahara general manager Solomon David said his company has a carrying capacity of 17 tons, and is operating scheduled freighters from Dar es Salaam to airports in the Democratic Republic of Congo (DRC), Comoros, Rwanda, Burundi, Uganda & Kenya.

<http://saharaaviation.com/inner.aspx?Pagelid=7>

**\*\*\*Lost** ..... as the French Navy has located the flight recorders of the Air France jet that crashed in the Atlantic almost a year ago, but retrieving them may be an impossible mission, officials said. The recorders have been localised with a margin of error of 3 nautical miles (5 kilometres) in a remote area of the Atlantic Ocean. But French military officials cautioned the breakthrough did not mean the black boxes will be successfully retrieved from the ocean floor. "It's like trying to find a shoe box in an area the size of Paris, at a depth of 3,000 metres and in a terrain as rugged as the Alps," said navy spokesman Hugues du Plessis d'Argentre. Flight 447 was en route to Paris from Rio de Janeiro when it went down on June 1 in stormy weather, killing all 228 people on board.

**\*\*\*Imitation Pilot** ..... as Thomas Salme, a maintenance engineer who became a Boeing 737 pilot by flying a few nights in a flight simulator and printing a fake airliner pilot license. Amazingly enough, he flew passengers for thirteen years without any incidents. Thirteen years of back and forth from Sweden to everywhere else in Europe. Nobody noticed until a couple of months ago, when Salme was caught by the police in March as he was getting ready for take off. He was in the cockpit of a Corendon Air Boeing 737, with 101 passengers at Amsterdam's Schiphol airport. He admits that it was all a crazy idea: "I got the crackpot idea to apply as a co-pilot at a real airline so I made myself a Swedish flying permit with a logo out of regular white paper. It wasn't laminated, and looked like something I'd made at home. It was surprisingly easy. The documents look different everywhere in Europe. An Italian airline doesn't know what a Swedish licence looks like. And you can forge all the IDs you need. I'd train there for two or three hours at a time—at least 15 to 20 times over one and a half years." Despite putting the lives of thousands at risk, Salme only got fined a couple thousand dollars this month and was banned from flying for a year.

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

**\*\*\*\*Back To The Future** ..... as the first commercial flight between Baghdad and London in 20 years has turned into a nightmare this month for Iraq after its national airline boss had his passport seized and a chartered plane was impounded. That's from news agency AFP (via the Ottawa Citizen), which writes Iraqi officials confirmed Iraqi Airways chief Kifah Hassan had his travel documents confiscated "after papers were served by lawyers acting for Kuwait Airways." AFP writes that in a claim that dates back to Saddam Hussein's 1990 invasion of Kuwait, Kuwait Airways says it is owed US\$1.2Bn after ten of its jets were "plundered" following Iraq's occupation of the country and the main airport. Now, following the Sunday incident, AFP says Iraqi Air's chief

is stuck in London and the airline's aircraft has been impounded while British authorities sort through the dispute. In a statement AFP says was published in the Times of London, lawyers acting for Kuwait Air defended the action.

**\*\*\*Explains Why The Drink Cart Never Comes .....** as airline officials are trying to figure out how a sleeping passenger was left aboard a flight for 4 hours after it landed in Philadelphia. According to police and the Transportation Security Administration, the passenger didn't wake up when her United Express flight from Dulles airport outside Washington landed shortly after midnight May 25. At about 4 a.m., a cleaning crew found her. United Airlines says they're working with a regional partner carrier to determine why the plane wasn't cleared upon landing.

**\*\*\*Can We Sign Up For This Deal For Cargo Damage?.....** as a homeless man caused about US\$12,000 in damage when he stole & crashed a single-engine airplane at a Maryland airport - but he'll pay just US\$40 in restitution. Frederick County Circuit Judge G. Edward Dwyer Jr. expressed surprise on May 21, upon learning of the small amount. Dwyer asked: "Only US\$40? Prosecutors explained that insurance had paid for all the damage except for a US\$40 deductible. Fifty-one-year-old Calvin C. Cox has served half of his nine-month sentence for the December theft. His lawyer has said Cox stole the plane because he was homeless & cold. At sentencing in April, Dwyer authorized work release for Cox, so he could earn money to pay restitution to the plane's owner, Mid Atlantic Soaring Associates Corp.

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

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

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

**\*\*\*End of NVOCC Filed Tariffs? ....** as the Federal Maritime Commission (FMC) has released a notice of proposed rulemaking that would relieve NVOCCs from publishing tariffs for rates they charge for cargo shipments. The proposed rule would provide an exception to the rate-publishing provisions of the Shipping Act of 1984 and other FMC regulations, and would establish a "negotiated rate arrangement," which would allow licensed NVOCCs to be exempt from publishing rates in tariffs as long as they meet certain conditions, such as publishing rules tariffs containing terms and conditions governing shipments and retaining documentation of the agreed rate & terms for each shipment for five years and provide the documentation to the FMC upon request. Under the new rules, the rates charged by the NVOCC must be agreed to and memorialized in writing by the date cargo is received for shipment. Read the proposal: [www.fmc.gov/userfiles/pages/file/NVOCC%20Tariff%20Exemption%20NPRM.pdf](http://www.fmc.gov/userfiles/pages/file/NVOCC%20Tariff%20Exemption%20NPRM.pdf)

**\*\*\*U.S. Inbound On The Rebound .....** as import cargo volume at the U.S.'s major retail container ports is expected to be up 10% in May with double-digit increases expected into this fall as the U.S. economy improves, according to the monthly Global Port Tracker report from the National Retail Federation and consulting firm Hackett Associates. U.S. ports handled 1.07 million TEUs ( one 20-foot cargo container or its equivalent) in March, the latest month for which actual numbers are available. That was up 7% from February, traditionally the slowest month of the year, and up 12% from March 2009. It was also the 4th month in a row to show a year-over-year improvement after Dec. broke a 28-month streak of year-over-year monthly declines. One TEU is one 20-foot cargo container or its equivalent. April was estimated at 1.11 million TEU, a 12% increase over last year, as spring products headed for store shelves. May is forecast at 1.14 million TEU, up 10% from last year; June at 1.19 million TEU, up 17%; July at 1.25 million TEU, up 13%; Aug. at 1.32 million TEU, up 14%; and Sept. at 1.35 million TEU, up 19%. The large year-over-year percent increases are partly due to easy comparisons against unusually low numbers last year. The first half of 2010 is expected to total 6.6 million TEU, up 12%. Imports for 2009 totaled 12.7 million TEU, down 17% from 2008's 15.2 million TEU, and the lowest since the 12.5 million TEU reported in 2003.

[www.globalporttracker.com/home.html](http://www.globalporttracker.com/home.html)

**\*\*\*Steaming Toward The Black .....** as anyone who ever questioned the cyclic nature of the global container shipping business should take a look at some of the latest liner results. Even Maersk, the market leading, market-share chasing giant has managed to stack up some impressive revenue growth in the last quarter as the market improved. Although "improved" doesn't really do justice to what the market has done compared to the 1st quarter last year. "Spectacularly rebounded" would be a better description. And that rebound has seen Maersk go from a US\$581M loss in the 1st quarter last year to a US\$168M net profit. Nice recovery. Maersk carried over 20% more containers in Q1. At troubled Hapag-Lloyd, the troubles are no more. In the 1st quarter last year, the German line managed to lose US\$279M and had to be bailed out big time. This year, it is US\$16.3M in the black. The rapid change in fortunes has extended to other carriers, even CMA CGM. We say "even" because the French line was deep in a financial hole not too long ago. The carrier predicts it will post an EBITDA of around US\$380M and carry 22% more containers in Q1. Hanjin Shipping and Hyundai Merchant marine, Korea's two major carriers, also made it back into the black in terms of operating profits in the 1st quarter. Also rebounding majestically all over the balance sheet was Neptune Orient Lines, parent of APL. NOL was close enough to smudge the black ink with a fat finger but fell just US\$98M short. Still, it is a far better position to be in than the red drenched US\$245M loss posted in last year's Q1.

**\*\*\*Sino Ports Rebound.....** as recovering trade bolstered China's 10 largest container ports' volume increased 26.2% year on year to 26.02 million TEU following 2009's year-on-year drop of 5%. Bucking the global downturn trend was the result of robust intra-Asian market trade growth, said London's Containerization Int'l.

**\*\*\*Fewer Vessels Meet Their Breaker.....** as sixty cellular ships accounting for 100,000 TEU have been removed from the fleet since the beginning of the year, far fewer than the 208 vessels of 380,000 TEU scrapped last year. "The rate of deletions is diminishing due to improved employment prospects and as the fleet has been purged of most over-aged units which are the prime candidates for scrapping," said Paris-based Alphaliner. "The scrapping rate will likely fall in coming months as the summer peak season boosts demand for tonnage, in spite an influx of expected new capacity. This contrasts with last year's situation, when scrapping peaked in July 2009 in what should have been the traditional peak season," it said. According to Alphaliner records, the idle fleet has declined to a 15-month-low with 5.3% of the fleet idle, down from a high of 11.7% recorded in Dec. 2009. idle containership fleet has dropped to 549,000 TEU, down from a high of 1,522,000 TEU in Dec. 2009, resulting in a shortage of ships above 4,000 TEU, according to Alphaliner. Alphaliner predicts that the level of idling will increase at the end of summer owing to seasonal demand reduction and further newbuilding deliveries. Also, the euro's fall against the Asian currencies is expected to have a negative effect on Asia-Europe volumes. See the fleet rankings:

<http://www.axs-alphaliner.com/top100/index.php>

**\*\*\*As Volume Rises, So Do Rates .....**

**\*Hapag-Lloyd** has announced a general rate increase effective July 1 for all cargo & container types in the North Atlantic trade. Westbound rates from North Europe and the Mediterranean to the U.S., Canada and Mexico, including U.S. destinations via Canadian ports, will increase US\$320 per 20-foot container and US\$400 per 40-foot container. There is an additional charge of US\$20 per 20-foot container and US\$50 per 40-foot container for cargo from Norway, Sweden & Denmark. Eastbound from Canada & U.S. ports, including U.S. origins via Canadian ports, to North Europe and the Mediterranean, the increase is US\$320 per 20-foot container and US\$400 per 40-foot container.

**\*OOCL** is raising rates in both directions of the transatlantic trade starting July 1. The increase is US\$400 per 20-foot container and US\$500 per 40-foot container westbound from Europe to North America, and US\$320 per 20-foot container and US\$400 per 40-foot container eastbound from North America to Europe.

**\*Mediterranean Shipping Co.** said it is raising rates on container shipments from the Far East to the Caribbean, the East Coast of Central America, Cartagena and Venezuela. The rate increases are US\$300 per 20-foot dry container and US\$600 per 40-foot dry and 40-foot high-cube

container, and go into effect June 1. MSC is also raising rates from the Far East to the Middle East and Indian Subcontinent by US\$200 per TEU on June 1.

\***MOL** will increase rates US\$300 per 20-foot container and US\$400 per 40-foot container eastbound from U.S. ports to ports in Europe. MOL will increase its origin documentation fee for Canada-to-Asia shipments from US\$25 to US\$50. From Asia and the Indian Subcontinent, MOL will begin charging a US\$250-per-TEU peak season surcharge on shipments to a host of ports in Latin America, including Balboa, Manzanillo, Colon Free Zone, Panama City, Barranquilla, Cartagena, Puerto Limón, San Jose, Rio Haina, La Guaira, Puerto Cabello, Puerto Sucre, San Juan, Manaus and Vila do Conde.

\***Zim** is raising rates on shipments moving from Asia and the Indian Subcontinent to Mediterranean, Black Sea and northern Europe destinations. The increase, US\$250 per TEU, will take effect from June 1.

\***CMA CGM** is also raising rates on a host of trades starting June 1, in the general range of US\$250 per TEU.

**\*\*\*Piracy in Somali Basin Surges** ..... as the European Union (EU) naval force protecting shipping off Somalia said that the number of pirate ships operating between the Seychelles and the Somali coast has skyrocketed in the last 3 months. The EU force, along with NATO and others, has interrupted and dismantled over 60 pirate groups and processed roughly 400 suspected pirates in the last 12 weeks alone -- three times the number of piracy groups recorded last year, according to an EU NAVFOR official.

**\*\*\*Sign The Petition To End International High Seas Piracy** ..... as enough is enough. The program intends to deliver at least half a million signatures to governments by IMO World Maritime Day, September 23. Seafarers are being exposed to unacceptable risk of injury or death and that shipping companies face increased costs for security, fuel to bypass the region or payment of ransom to secure the release of vessels and crews. The electronic petition calls on nations to:

\*Dedicate significant resources and work to find real solutions to the growing piracy problem.

\*Take immediate steps to secure the release and safe return of kidnapped seafarers to their families

\*Work within the int'l community to secure a stable and peaceful future for Somalia and its people

**Show Your Support Today:**

[www.itfseafarers.org/petition.cfm](http://www.itfseafarers.org/petition.cfm)

**\*\*\*EU Calls For Rotterdam Rules** ..... as on May 5 the European Parliament adopted a resolution that "calls on member states speedily to sign, ratify and implement the U.N. Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea, known as the 'Rotterdam Rules,' establishing the new maritime liability system." Early ratification of the UNCITRAL Convention by major trading nations, such as EU Member States, will almost certainly give this process critical momentum.

[http://en.wikipedia.org/wiki/Rotterdam\\_Rules](http://en.wikipedia.org/wiki/Rotterdam_Rules)

**\*\*\*Yes, We Have No Spoiled Bananas** ... as Maersk Line said it has developed refrigerated container technology that "opens up new markets for faraway exporters, and provides consumers all over the world with fresh fruit products." At the end of April, a Maersk Line container vessel carrying a trial shipment of several containers of bananas from Davao, Philippines, arrived in Rotterdam, Netherlands, after a 34-day voyage. "Imported bananas are nothing out of the ordinary in Europe, but arriving from a destination as far as the Philippines is extraordinary," Maersk said. The company added it has used the equipment with bananas from Ecuador. Maersk said it was able to overcome the transit time through use of controlled atmosphere technology in its "StarCare" reefer equipment it said would keep bananas fresh for up to 45 days. Those are specialized reefer containers with a passive controlled atmosphere system "in which the fruit itself creates the desired environment." Through natural respiration from the fruit, oxygen levels are reduced and carbon dioxide increases, contributing to lower respiration by the fruit and suppressing the release of ethylene (which causes fruit to ripen) and mold. Optimal gas levels are

controlled in the container through the use of sensors, gas permeable membranes and fresh air intake. If carbon dioxide levels exceed their optimal threshold, the membrane will be activated and start to permeate carbon dioxide away from the cargo space. If oxygen levels drop below the set point, the fresh air intake will automatically open up, to let in ambient air. **How it works:**  
[www.maerskline.com/link/?page=news&path=/news/story\\_page/09/bananas](http://www.maerskline.com/link/?page=news&path=/news/story_page/09/bananas)

**\*\*\*The Dating Game** ..... as the Port of Tokyo, Japan's biggest container port, is competing with other Japanese cities to win state funding in a government run competition designed to revitalize the nation's floundering port industry and take on the world's busiest harbors. "Japanese ports are losing market share," said Takashi Nagayasu, parliamentary secretary for land, infrastructure and transport. "That's hurting Japanese business, so we have to fix it." The winning ports will be selected in June, said Transport Minister Seiji Maehara. The main selection criteria will include costs, location & security. The government has not yet revealed how much funding will be made available. Singapore, the world's busiest container port, handled 25.9 million TEU in 2009, compared to the Port of Tokyo's 3.4 million TEU, while the Port of Yokohama, Japan's number two port, handled 2.8 million containers. "It's not that Japan's ports are bad, it's that they're expensive," said Edwin Merner, president of Atlantis Investment Research Corp in Tokyo.

**\*\*\*Getting Greater** ..... as the U.S.-flag Great Lakes vessel fleet transported 7.6 million tons of dry bulk cargo in April, a 50% increase over the previous year, but still about 15% off the month's five-year average, according to the Lake Carriers' Association. In response to the resurgence in steel production, U.S.-flag lakers moved 4 million tons of taconite pellets in April, more than double the volume of a year ago. The limestone trade also started to re-emerge in April. Stone cargos hauled in U.S. bottoms totaled 1.7 million tons, an increase of more than 47%. For the year, U.S.-flag carriage stands at 12.7 million tons, an increase of 92%, compared to the same point last year. However, compared to the five-year average for the January-April timeframe, U.S.-flag cargos are 14.4% off the pace, the association explained.

**\*\*\*LA Goes Lean** ..... as despite an uptick in container volumes, the Port of Los Angeles has cut back US\$223.2 from its fiscal year 2010-11 budget, down 20% to US\$909.6 M against the expectation of an overall profit decline of 5.3%. The income deficit is in lieu of the expiry in 2012 of clean truck compliance and in an aim to retain customers by forging ahead with capital projects costing US\$266.3M, albeit down from last fiscal year's 25% allocation.

**\*\*\*Throughput >>> Charleston's** container volume jumped 28.5% in April to 68,757 containers compared to 53,499 in the same month last year and 66,247 in March of this year. **>>> Georgia Ports Authority** increased 25.6% in April to 134,734 TEUs, a 5th straight month of double-digit growth. **>>> Port of Hamburg** slipped 4% to 1.8 million TEU. **>>> Hong Kong-based** global container terminal operator **COSCO Pacific** said throughput at its terminals grew 19.1% in April to 3.7 million TEUs. **>>> India** surged 21.5% in April to 630,000 TEU. **>>> April** throughput at the **Port of Long Beach** rose 18.7% to 485,059 TEUs. Year-to-date, volume at Long Beach is 16.6% up at 1.75 million TEUs **>>> At the Port of Los Angeles**, April volume was 11.9% higher at 595,283 TEUs. **Long Beach's** volume is still down 12.9% on April 2008 volume and 16.3% on April 2007 volume. Year-to-date **Los Angeles** improved 8.9% to 2.2 million TEUs. **>>> Saudi** ports volume for the 1st quarter of the year showed an overall cargo increase of 3.4% year on year to 33.5 million tons, with containers up 14% to 1.15 million TEU. **>>> Port of Seattle's** import container traffic soared 70% in April to 109,020 TEU. **>>> Shanghai's** 1st quarter volumes were strong at 6.43 million-TEU, a spike of 14.6%.

**\*\*\*Kevin Costner Dances With Oil Cleanup In Water World** ..... as the actor spent years and millions of dollars perfecting a device that cleans oil from seawater and British Petroleum gave the okay to test six of Costner's units in the current **SSV Deepwater Horizon** disaster.. Costner's high-speed centrifuge machine, named Ocean Therapy, is placed on a barge and sucks in large quantities of polluted water, separates out the oil and spits back 97% clean water.  
<http://abcnews.go.com/Technology/video/kevin-costner-oil-spill-cleanup-machine->

[10688556](#)

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

1775 - **Benedict Arnold** captures British sloop and renames her **USS Enterprise**, first of many famous ships with that name & beyond. The great traitor & the great ship. Go figure.  
1815 - Commodore Stephen Decatur (**Frigate Guerriere**) sails with 10 ships to suppress Mediterranean pirates' raids on U.S. shipping  
1850 - Navy sends **USS Advance** and **USS Rescue** to attempt rescue of Sir John Franklin's expedition, lost in Arctic.  
1882 - Commodore Shufeldt (**USS Swatara**) lands in Korea to negotiate first treaty between Korea and Western power.  
1912 - Navy establishes North Atlantic Ice Patrol following **RMS Titanic** disaster.  
1939 - **USS Squalus** (SS 92) sinks off Portsmouth, N.H., with loss of 26 lives.  
1944 - During preparations for the invasion of Saipan, an accidental ordinance blast on **LST 353** sets off cataclysmic ammunition explosions at West Loch, Pearl Harbor, killing 163 & injuring 396.  
1968 - **USS Scorpion** (SSN 589) is lost with all hands.  
1987 - **USS Stark** (FFG 31) struck by Iraqi Exocet missile in Persian Gulf, killing 37 Sailors; 21 were wounded

**\*\*\*Solve The SSV Deepwater Horizon Blowout Disaster .....** as BP wants your proposed solutions for stopping the oil spill in the Gulf of Mexico and cleaning up the pollution.

[www.deepwaterhorizonresponse.com/clients/2931/319487.pdf](http://www.deepwaterhorizonresponse.com/clients/2931/319487.pdf)

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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 April 2010: "**Coaling On The Great Barrier Reef**" - **M/V Shen Neng 1**  
[www.cargolaw.com/2010nightmare\\_sheng\\_neng.html](http://www.cargolaw.com/2010nightmare_sheng_neng.html)

See our new feature for May 2010: "**Lost Horizons**" - **SSV Deep Horizon** - the Gulf disaster.  
[www.cargolaw.com/2010nightmare\\_deep\\_horizon.html](http://www.cargolaw.com/2010nightmare_deep_horizon.html)

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 Wahner, 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 and your amusement.....

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

1941 Photos of Houston Airport

[http://flightaware.com/squawks/link/1/7\\_days/popular\\_new/4291/1941\\_photos\\_show\\_scenes\\_at\\_Houston\\_Municipal\\_Airport](http://flightaware.com/squawks/link/1/7_days/popular_new/4291/1941_photos_show_scenes_at_Houston_Municipal_Airport)

Board of Marine Underwriters of San Francisco Biennial Marine Seminar on May 6 - 7, 2010, Palace Hotel, San Francisco, CA

"Audacity, Déjà vu and Return to a U.S. Maritime Tradition"

Presentation By Michael S. McDaniel of Countryman & McDaniel

<http://cargolaw.com/Piracy-5-10.pdf>

Boeing's Newest, Oldest Airliners Fly Together

[www.wired.com/autopia/2010/05/boeings-newest-and-oldest-airliners-fly-together/](http://www.wired.com/autopia/2010/05/boeings-newest-and-oldest-airliners-fly-together/)

Free FAA Online Aviation Written Exams

<http://avstop.com/quiz/>

Marsh's Global Broker & Underwriter Digital Edition ..... free int'l wholesale insurance magazine

[www.globalbrokermagazine.com/signup.html](http://www.globalbrokermagazine.com/signup.html)

Small Business Poised To Drive Economic Expansion Through Int'l Growth ..... a UPS White Paper

[http://pressroom.ups.com/pressroom/staticfiles/pdf/fact\\_sheets/BMUS\\_2010\\_fact\\_sheet.pdf](http://pressroom.ups.com/pressroom/staticfiles/pdf/fact_sheets/BMUS_2010_fact_sheet.pdf)

The Emerging Markets Logistics Index

[www.transportintelligence.com/forms/get\\_whitepaper.php?wpID=60](http://www.transportintelligence.com/forms/get_whitepaper.php?wpID=60)

Top 100 Motor Carriers From Inbound Logistics Magazine

[http://server-us.imrworldwide.com/cgi-bin/b?cg=inbound&ci=us-bpaww&tu=http://www.inboundlogistics.com/digital/3pl\\_top100\\_chart09.pdf](http://server-us.imrworldwide.com/cgi-bin/b?cg=inbound&ci=us-bpaww&tu=http://www.inboundlogistics.com/digital/3pl_top100_chart09.pdf)

Top 100 3PLs From Inbound Logistics Magazine

[http://server-us.imrworldwide.com/cgi-bin/b?cg=inbound&ci=us-bpaww&tu=http://www.inboundlogistics.com/digital/3pl\\_top100\\_chart09.pdf](http://server-us.imrworldwide.com/cgi-bin/b?cg=inbound&ci=us-bpaww&tu=http://www.inboundlogistics.com/digital/3pl_top100_chart09.pdf)

U.S. Truck Safety Regime CSA 2010

[www.ttnews.com/csa2010](http://www.ttnews.com/csa2010)

U.S. Customs & Border Protection - All About Penalties

[www.cbp.gov/xp/cgov/trade/priority\\_trade/penalties/](http://www.cbp.gov/xp/cgov/trade/priority_trade/penalties/)

U.S. Customs & Border Protection - Cargo Control

[www.cbp.gov/xp/cgov/trade/cargo\\_security/cargo\\_control/](http://www.cbp.gov/xp/cgov/trade/cargo_security/cargo_control/)

U.S. Customs & Border Protection Informed Compliance Publication For Footwear (new)

[www.cbp.gov/linkhandler/cgov/trade/legal/informed\\_compliance\\_pubs/icp022.ctt/icp022.pdf](http://www.cbp.gov/linkhandler/cgov/trade/legal/informed_compliance_pubs/icp022.ctt/icp022.pdf)

**U.S. Dept. of Commerce's Export Licensing FAQs**

[www.bis.doc.gov/exportlicensingqanda.htm](http://www.bis.doc.gov/exportlicensingqanda.htm)

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

**21st Century Airships For Rent**

[www.21stcenturyairships.com/](http://www.21stcenturyairships.com/)

**Forklift Evaluation: Written Exam Not Enough**

<http://links.e.jjkeller.com/ctt?kn=25&m=34904679&r=NTEwMzA1ODQ4MgS2&b=0&j=NzQyMTg3MDgS1&mt=1&rt=0>

**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)

25th Int'l Air Cargo Forum & Exposition .....Nov. 2-4, 2010, Amsterdam, Netherlands

[www.tiaca.org/tiaca/ACF.asp?SnID=1564325440](http://www.tiaca.org/tiaca/ACF.asp?SnID=1564325440)

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

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

2010 SNAME Annual Meeting and Expo ..... Nov. 3-5, 2010, Seattle /Bellevue, Washington

[www.sname.org/SNAME/AM/Home/](http://www.sname.org/SNAME/AM/Home/)

Global Greenship ..... Sept. 23-24, Washington, D.C.

[www.marinelog.com/DOCS/MSECMMV/green2010reg.html](http://www.marinelog.com/DOCS/MSECMMV/green2010reg.html)

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/>

Supply & Demand 2010-2012 Horizons ..... June 30, Hong Kong

[www.shippinggazette.com/Supply&Demand-10-12/images/Supply%20and%20Demand%202010-2012.pdf](http://www.shippinggazette.com/Supply&Demand-10-12/images/Supply%20and%20Demand%202010-2012.pdf)

TOC Europe Conference ..... June 8 - 10 2010, Valencia, Spain

[www.toc-events.com](http://www.toc-events.com)

Transported Asset Protection Assn. Expo & Conference ..... Sept. 14 & 15 2010, London

[www.transec.com/page.cfm/Link=125/t=m/trackLogID=67083\\_A9E2AB262B](http://www.transec.com/page.cfm/Link=125/t=m/trackLogID=67083_A9E2AB262B)

**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)



PlanetSolar ..... largest solar powered vessel to round the world  
[www.planetsolar.org/bateau.en.php](http://www.planetsolar.org/bateau.en.php)

Risk Prediction & Worst-Case Thinking  
[www.schneier.com/blog/archives/2010/05/worst-case\\_thin.html](http://www.schneier.com/blog/archives/2010/05/worst-case_thin.html)

USS Ronald Reagan CVN 76 Underway for Sea Trials  
[www.reagan.navy.mil/index.html](http://www.reagan.navy.mil/index.html)

Who Knew? ..... don't miss  
[www.youtube.com/watch\\_popup?v=fJuNgBkloFE](http://www.youtube.com/watch_popup?v=fJuNgBkloFE)

World Marine Guide ..... yacht marinas & services  
[www.worldmarineguide.com/](http://www.worldmarineguide.com/)

Yacht & Ship Registration  
<http://myyachtregistration.com/>

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

***Estate of Valladolid v. Pacific Operations Offshore***

U.S. 9th Circuit Court of Appeals  
May 3 2010, No. 08-73862

ADMIRALTY LAW: The Outer Continental Shelf Land Act § 1333(b) applies to any injury resulting from operations on the outer continental shelf so long as the injury is "the result of" outer continental shelf operations which is demonstrated by a substantial nexus between the injury and the operations. Juan Valladolid worked for Pacific Operations Offshore (Pacific) where he was killed by a forklift on an onshore oil processing facility. His wife, Luisa Valladolid (Valladolid), brought a claim for death benefits under the Longshore and Harbor Workers' Compensation Act ("LHWCA") and the Outer Continental Shelf Land Act ("OCSLA"). The Administrative Law Judge ("ALJ") heard the matter and denied the claim under both the OCSLA and the LHWCA. Under the OCSLA, the ALJ determined that the injury occurred outside the geographic situs of the outer continental shelf ("the shelf") and under the LHWCA, the ALJ concluded that the Decedent was not engaged in maritime employment and not injured on maritime situs. These determinations were upheld by the Benefits Review Board ("BRB") under the "situs-of-injury" test. Valladolid contends that the BRB's application of the "situs-of-injury" test to the OCSLA was impermissible. The Ninth Circuit interpreted the natural meaning of OCSLA § 1333(b) concluding that the operations must be conducted on the shelf and the only limitation on the injury is that it be "the result of" operations on the shelf. The court also stated that there was no mention of a "situs-of-injury" requirement within § 1333(b). The Ninth Circuit concluded "the result of" component be satisfied by demonstrating a substantial nexus between the injury and extractive operations on the shelf. This would be established by showing that the work performed furthers the shelf operations and is in the regular course of such operations. The Ninth Circuit reviewed the BRB's denial of the LHWCA claim and determined that the BRB did not err in finding there was no injury on maritime situs. GRANTED in part, DENIED in part, and REMANDED. Read the Decision: [www.ca9.uscourts.gov/datastore/opinions/2010/05/13/08-73862.pdf](http://www.ca9.uscourts.gov/datastore/opinions/2010/05/13/08-73862.pdf)

***Mile 533 Marine Ways, Inc. v. M/V CLARISSA***

U.S. District Court, Southern Dist. of Texas  
April 2 2010, 2010 WL 1371642

The plaintiff filed a verified complaint seeking the arrest of the M/V CLARISSA. The district court issued an order authorizing the arrest of the vessel and the U.S. Marshal Service arrested the vessel on March 30, 2010. The plaintiff then filed a motion for appointment of substitute custodian and sought to have itself appointed as the substitute custodian. After noting there is "scant case

