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 Law Offices of Countryman & McDaniel
THE CARGO LETTER [467]
 Air & Ocean Logistics - Customs Broker News
 28 July 2010
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Good Wednesday Evening from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**"

Here is our world for July 2010. Kirk Thompson said it all

"Demand for transportation services has increased fairly dramatically as we have emerged from a multiyear freight recession. Scarcity of capacity in intermodal, truckload & brokerage markets was quite pronounced in the current quarter."

Kirk Thompson, president & CEO of **J.B. Hunt Transport Services Inc.**

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

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

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

Michael S. **McDaniel**, Editor, Countryman & McDaniel, forwarder/broker, hull & machinery attorneys at LAX.

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

1. **Freight Forwarder Trade Briefs** _____

*****U.S. Export Volume Up** as the U.S. Commerce Dept. reported July 13 the country's exports in May increased by 2.4% to US\$152.3Bn from the previous month's level, while imports for May increased 2.9% over April to US\$1,94.5Bn.

*****U.S. Import Cargo Volume Up** as the nation's major retail container ports were expected to be up 16% in July compared with the same month a year ago, but double-digit increases seen in recent months should taper off this fall as retailers cautiously manage their inventories, according to the monthly Global Port Tracker report from the National Retail Federation (NRF)

and Hackett Associates. Despite robust growth in volumes and rates for container lines, Drewry Shipping Consultants said that a more clear picture of the recovery will emerge in the next 6 weeks, when a backlog of shipments out of Asia should be cleared.

www.nrf.com/

*****California Trade Up** as merchandise export trade grew 25.7% by value in May, but still fell well shy of export levels recorded two years ago, according to an analysis by Beacon Economics of int'l trade data released July 13 by the U.S. Commerce Dept. The US\$11.9Bn in goods shipped abroad this May easily exceeded the US\$9.5Bn the state's exporters sent to foreign markets in May 2009, and it marked the 7th consecutive month of year-over-year increases in California's export trade, according to Beacon.

www.beaconecon.com/

*****China Slows** as economic expansion has slowed in the second quarter as GDP expanded 10.3%, less than the 11.9% in the 1st quarter, according to the National Bureau of Statistics. Consumer price inflation eased 2.9% in June, a drop from May's figure of 3.1%, reported the Financial Times.

*****Sino - Russia Explodes** ...Jan. to May, the trade between China & Russia surged 56% year on year to US\$21Bn, Xinhua reported. Export from China to Russia grew 54% to US\$9.3Bn. Imports from Russia to China increased 57% to US\$11.7Bn. Affected by the economic downturn, the Sino-Russian trade dropped sharply in 2009, but has strongly recovered this year.

*****Singapore Rush** as it expects its economy to soar 15% this year after a record expansion in the 2nd quarter that suggests Asia's recovery from the global recession remains on track. Gross domestic product for April through June grew 19.3% from a year earlier when the economy was shrinking because of the global recession, the Trade & Industry Ministry said. The growth was the fastest since the government began releasing quarterly GDP figures in 1975. The ministry raised its forecast for the city-state's economic growth this year to a range of 13% to 15% from the previous forecast of 7% to 9%. It also raised its forecast for export growth as global demand has stayed strong amid Europe's debt and fiscal crisis.

*****U.S. Intermodal Rail Traffic Comeback** as it grew 20.1% for the week ending July 23, compared with a year ago, the Assn. of American Railroads said. Traffic totaled 227,661 trailers and containers for the week, though that level was 2.5% lower than the same week 2 years ago, AAR said in its weekly report. Containers gained 22.1% to 194,227 units, while trailers rose 10% to 33,434 units, AAR said in its weekly report. Freight rail traffic, which excludes intermodal traffic, rose 5.5% to 282,199 carloads. Rail traffic was down 1.4% in June on a month-over-month basis, with carloads off 1.3% and intermodal traffic down 1.1% from May.

*****Canada Goes Soft On Lumber** as the Canadian Int'l Trade Minister Peter Van Loan & U.S. Trade Representative Ron Kirk on July 22 agreed to transfer to Canada the collection of a 10% customs duty imposed on softwood lumber products imported into the U.S. from the Canadian provinces of Ontario, Quebec, Manitoba & Saskatchewan. U.S. Customs and Border Protection began collecting the duty on April 15, 2009. The 10% ad valorem duty was directed by the Office of the U.S. Trade Representative under Section 301 of the Trade Act. On Feb. 26, 2009, a tribunal found that Canada had breached the Softwood Lumber Agreement by failing to calculate quotas properly during the first 6 months of 2007. Starting Sept. 1, 2010, Canada will begin collecting the duty from the 4 provinces. The revenue collected from the tax will stay in Canada and be distributed back to the 4 provinces.

*****Less Than Zero** as the U.S. Advisory Committee on Commercial Operations of Customs & Border Protection has called for repeal of laws requiring 100% scanning of ocean freight and 100% screening of air cargo. The group, made up of representatives of the trade and transportation sector, said the Dept. of Homeland Security should shift its supply chain security focus to place more emphasis on air & land transportation security and ensure that minimum

security criteria for the Customs-Trade Partnership Against Terrorism, and similar programs adapt to changing threats in the supply chain. "The 100% question is a perpetual splinter in our finger, a royal pain, especially when we are in front of our global trading partners or any other international forum," said the groups.

www.cbp.gov/xp/cgov/trade/trade_outreach/coac/

*****Equipment Passports Cost More** as effective July 21, 2010, the U.S. Council for Int'l Business (USCIB) has raised its Carnet processing rates. Carnets are "Merchandise Passports." They are int'l customs documents that simplify customs procedures for the temporary importation of various types of goods in & out of the U.S. -- such as equipment for filming movies or for trade shows. Forget the Carnet - you have trouble!

www.uscib.org/

www.uscib.org/index.asp?documentID=1843

*****New Trade Terms** as the Int'l Chamber of Commerce (ICC) will introduce its revised Incoterms, trade terms accepted by governments, legal authorities and the logistics industry, on Jan 1, 2011. ICC's American representative, the United States Council for International Business (USCIB), is to hold a series of seminars beginning in September to explain the changes.

www.searchtroop.net/icc/incoterms_eBrochure_4.pdf

*****UPS Remembers Katrina** as in memory the 5th anniversary of the landfall of Hurricane Katrina, on July 24, nearly 100 volunteers from UPS, the United Way and the St. Bernard Project helped the Treauo family finally move into a permanent home. Recognizing that nearly 1,000 families in the Greater New Orleans region are still in FEMA trailers or temporary housing, UPS has partnered with the St. Bernard Project and United Way's NO Place Like Home campaign to move local families from temporary housing back into their own permanent homes. In addition to the move-in, volunteers are also working on the construction of three new homes for Katrina-affected families. This isn't the first time UPS has aided victims of Hurricane Katrina. The UPS Foundation initially donated US\$1.25M toward relief efforts in 2005, but since then UPS has donated a total of more than US\$2M and countless volunteer hours to recovery efforts.

www.responsibility.ups.com/UPS+Foundation

*****Get The New U.S. Trade Mag** as the U.S. Census Bureau (Census) has developed a publication called TradeSource to help support the National Export Initiative (NEI) announced by President Barack Obama earlier this year. The first issue covers several topics such as expanding to new markets, exporter profiles, assigning Schedule B numbers and how to make the most of certain trade shows. The publication, which will be published twice a year, aims to provide "insight into how [companies] can benefit from federal export promotional initiatives & programs," as well as provide access to int'l trade information & resources. The 1st issue of TradeSource is online.

www.census.gov/foreign-trade/aes/tradesource072010_en.pdf

*****Toll Not Tax** as despite a growing awareness that America's aging network of highways, bridges & tunnels is in failing health, huge roadblocks are preventing Congressional action on a new national transportation bill: the lack of adequate funding sources and consensus on a vision that helps plan, prioritize and pay for U.S. infrastructure. A new America THINKS survey from HNTB Corporation suggests the answer may lie in a modern version of a solution that financed this country's roads and bridges prior to the advent of a national gas tax more than 50 years ago: tolling. According to the survey, most Americans support tolls on roads and bridges to generate transportation revenue, especially those that save them drive time. And when it comes to construction, Americans prefer a focus on fixing existing infrastructure than building new facilities. In fact, when given a choice between new roads funded by an increased gas tax, by new tolls or no new roads at all, Americans prefer tolls (41%) or no new roads at all (41%) over increased gas taxes (18%).

www.hntb.com/about-us

*****Foreign Aid** as the Japan Int'l Cooperation Agency (JICA) has awarded an US\$80M grant to Tanzania to improve the country's roads. The Road Sector Support Project will specifically improve roads between Iringa and Dodoma, strengthening communications between two regions that are 260 kms apart. It will also go to the road between Tunduru & Namtumbo regions, which are 190 kms apart. JICA is one of the world's largest bilateral development agencies.

*****Swift Goes Public - Again** as one of the U.S.' largest trucking companies, said it is seeking to raise up to US\$700M through an initial public stock offering. On July 22, Subsidiary Swift Holdings Corp. filed plans for the IPO with the Securities & Exchange Commission and the two companies would be folded together after the deal. Founded in 1966 by CEO Jerry Moyes, the company went public in 1991, but was reprivatized by Moyes in 2007. Swift said as of March 31 it operates about 12,500 company-owned tractors, 3,700 owner-operator tractors, 49,400 trailers and 4,300 intermodal containers from 35 major terminals, and other locations throughout the U.S. & Mexico. During 2009, Swift tractors covered 1.5 billion miles and it transported or arranged about 3 million loads for shippers throughout North America.
www.sec.gov/Archives/edgar/data/1492691/000095012310066959/c58386sv1.htm
www.swifttrans.com/

*****An Inspired Idea** as Con-way Truckload, a full truckload carrier & subsidiary of Con-way Inc., has introduced a system that easily allows the stacking of cargo in trailers. The company said it has initially converted 100 of its standard 53-foot truckload trailers to install what it calls the DoubleStack adjustable racking system, allows shippers to load cargo on two separate, adjustable levels throughout the length of the trailer. There are also custom-designed strapping mechanisms unique to the DoubleStack system to securely tie down shipments to prevent movement during transit and provide added protection against damage. See the video.
www.youtube.com/ConwayInc

*****Taking It's Toll** as the parent of Australian-based logistics company Toll has acquired two U.K.-based forwarders, WT Sea Air Group and Genesis Forwarding Group, moves that gives Toll Global Forwarding scale in the U.K. market

*****Phoenix Continues To Rise** as Phoenix International Freight Services, Ltd. opened two offices last month in Papeete, Tahiti & Milan, Italy. Founded in 1979, Phoenix Int'l Freight Services, Ltd. is the largest, privately-owned, full service int'l freight forwarder, NVOCC and Customs broker headquartered in North America; with more than 2,000 employees and sales exceeding US\$900M. Phoenix Int'l was named one of the "Healthiest Companies in America," by Illinois-based Interactive Health Solutions (IHS). Wow! A healthy NVOCC!
www.phoenixintl.com

*****Sometimes The Service Take Forever** as Holiday Evergreen Forever Stamps will be available to the public in October at the current rate of 44 cents. Once purchased, the stamps are valid literally forever - despite any future price changes. No additional postage will ever be needed.

*****When It Absolutley, Positively Has To Be Bacon**as a Washington State Patrol trooper says the driver of a FedEx tractor-trailer rig choked on some spicy pork rinds, lost control of his truck on an interstate and jackknifed it before coming to a stop in a muddy ditch. Trooper Keith Leary says Edward Sutherland was driving his rig southbound from Blaine near the Canadian border July 12, when he began choking and veered from the southbound lanes across the median into northbound lanes of Interstate 5. The trooper says the truck didn't hit any vehicles. Leary says the 42-year-old driver suffered minor injuries and will be cited for driving with wheels off the roadway.

*****They Were Employees** as the Massachusetts attorney general's office said FedEx Ground has agreed to pay the state US\$3M to settle claims that FedEx allegedly misclassified its

drivers as independent contractors. The settlement did not affect an ongoing lawsuit filed by FedEx Ground drivers. The office alleged that "FedEx Ground's failure to properly classify drivers had led the company to make lesser payments to the Commonwealth for payroll taxes, worker's compensation & unemployment assistance." In 2007, attorney general's office cited FedEx Ground for violation of the Independent Contractor Law, by misclassifying its drivers, failing to provide a proper pay stub, failing to provide workers' compensation, not paying overtime to certain drivers, and neglecting to deduct and withhold state income taxes.

*****Transport Money Makes The World Go Round** or in this case brings an Italian highway to a halt. A truck carrying some US\$2.5M in coins overturned in southern Italy, unloading its contents onto the highway and leading motorists to hit the brakes and dig in. Police in Foggia, where the accident occurred July 5, said it was impossible to establish how much money had been stolen, as many of the euro1 and euro2 coins remained in piles on the highway. But motorists acting quickly before police arrived made off with at least US\$12,500. Police said the truck's driver and one passenger had suffered minor injuries. The truck was carrying the money from the Italian mint to local banks.

*****Dirty Int'l Trade Money** as the washing machine cycle takes about 45 minutes - and George Washington comes out much cleaner in the Zimbabwe-style laundering of dirty money. Low-denomination U.S bank notes change hands until they fall apart here in Africa, and the bills are routinely carried in underwear and shoes through crime-ridden slums. Some have become almost too smelly to handle, so Zimbabweans have taken to putting their US\$1 bills through the spin cycle and hanging them up to dry with clothes pins alongside sheets and items of clothing. Zimbabwe's coalition government officially declared the U.S. dollar legal tender last year to eradicate world record inflation of billions of percent in the local Zimbabwe dollar as the economy collapsed. The U.S. Federal Reserve destroys about 7,000 tons of worn-out money every year. It says the average US\$1 bill circulates in the United States for about 20 months - nowhere near its African life span of many years. Zimbabweans say the U.S. notes do best with gentle hand-washing in warm water. But at a laundry and dry cleaner in eastern Harare, a machine cycle does little harm either to the cotton-weave type of paper. Locals say chemical "dry cleaning" is not recommended - it fades the color of the famed greenback. Dirty US\$1 bills can remain in circulation at rural markets, bus parks & beer halls almost indefinitely, or at least until they finally disintegrate.

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2. **The Cargo Letter** Financial Page _____

****Canadian National Railway Co. UP** as 2nd-quarter net income rose 21% to C\$534M, or C\$1.13 per share, from C\$387M or 82 cents per share, a year earlier.

****CSX Corporation. UP** with 2nd quarter net profit of US\$414M, an increase of 36% year on year.

****Delta Airlines. UP** with a 2nd quarter net profit of US\$549M, excluding special items -- a US\$748M turnaround from same period in 2009.

****Forward Air Corp. UP** as Q2 net income oncreased from to US\$7.9M from US\$2.8M in 2009.

****Hub Group Inc. UP** with 2nd quarter net profit of US\$9.6M, 16% more than in the 2nd quarter of 2009.

****J.B. Hunt Transport Services Inc. UP** as 2nd quarter net profit of US\$52.1M, compared to US\$24M in the same 2009 period.

****Knight Transportation. UP** as 2nd-quarter profit jumped 26% to US\$15.8M, or 19 cents a share, from US\$12.6M, or 15 cents, a year ago.

****Korean Air. UP** with 1st quarter. operating profits of US\$197.6M up 3,300% year on year.

****NYK Line. DOWN** an annual loss of JPY17.4 billion (US\$187M) in fiscal 2009 after having earned a JPY56.1 billion profit the year before.

****Ryder System. UP** as 2nd-quarter profit increased to US\$29.8M, or 56 cents a share, from US\$22.9M, or 41 cents, a year ago.

****Union Pacific Corp. UP** with 2nd quarter net profit of US\$711M compared to US\$465M in the same 2009 period when profit was boosted US\$72M related to a Colorado land sale. Intermodal

revenue was up 35% to US\$804M on a 24% increase in revenue carloads and 10% increase in average revenue per car.

****UPS Inc. UP** as 2nd-quarter profit jumped 71% on stronger int'l shipments as earnings hit US\$845M, or 84 cents a share, up from US\$445M, or 44 cents, a year ago. Revenue rose 12.7% to US\$12.2Bn.

****Werner Enterprises, Inc. UP** with earnings per diluted share of 29 cents, a 63% increase compared to 18 cents per diluted share in 2nd quarter 2009.

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

3. Freight Forwarder World Air Briefs _____

*****U.S. Air Revenue Up** as major U.S. airlines reported higher revenues from air cargo this month. UAL, parent of United Airlines, said it had cargo revenue of US\$190M in the second quarter, 57% more than in the same 2009 period, "as continued improvements in demand drove strength in both volume and yields across all regions, particularly transpacific markets." Continental Airlines said it had cargo revenue of US\$111M, 35% more than in the same 2009 period, principally due to increased freight volume. United & Continental also announced they expect to complete their merger in the 4th quarter and had reached an agreement in principle on a transition and process agreement with the pilots of both companies. AMR, parent of American Airlines, said it had cargo revenue of US\$170M in the second quarter, 27.5% more than in the same 2009 period on a 20% jump in cargo traffic and double digit improvement in freight yields.

*****EU Air Revenue Up** as Int'l cargo traffic carried by members of the Assn. of European Airlines (AEA) increased in May by 17.3% year-over-year. This was the **highest monthly increase for more than 15 years**, though the AEA pointed out that this should be seen in the context of the "near collapse" of business during the recession. Seven member airlines, Alitalia, Finnair, Iberia, LOT Polish Airlines, Malev, SAS and Turkish Airlines, saw their May 2010 figures improve by more than 50% from May 2009.

*****AWB Changes** as IATA has changed the air waybill conditions of contract with effect from July 1 to harmonize the application of the Montreal Convention liability limit. The amendment to Resolution 600b standardizes the application of the 19 Special Drawing Rights (SDRs) per kilo liability limit to all routes worldwide. IATA said the move will improve claims handling & service determination and increase accuracy for claims procedures. See your company lawyer, or our firm, for form changes.

*****Major Ruling For Boeing** as the WTO ruling on June 30 concluded that some European state subsidies to aircraft giant Airbus are illegal. Boeing said the ruling would require Airbus to repay US\$4Bn under the illegal subsidies, a claim disputed by the European aerospace giant. "This is a landmark decision and sweeping legal victory over the launch aid subsidies that fueled the rise of Airbus," said Boeing CEO Jim McNerney. The 6-year complaint claimed that unfair subsidies from the EU to Airbus, worth up to US\$200Bn, helped the European maker seize more than half of the market for civil airlines. Under the panel's ruling, Airbus "must repay the four billion dollars in illegal launch aid it received for the A380 or restructure the A380's financing to proven commercial terms," said Boeing

*****Boeing Hits China Milestone** as the Civil Aviation Administration of China (CAAC) and Air China recently celebrated the delivery of the 800th Boeing aircraft for China - a Boeing Next-Generation 737-800 to Air China. In 1972, CAAC ordered 10 Boeing 707s, establishing it as a major world airline. Today, Boeing jets are the mainstay of China's air travel and cargo system. More than 50% of all the commercial jetliners operating in China are Boeing aircraft. Air China, China's flag air carrier, is the largest airline in mainland China in terms of Air China's int'l traffic and size of its twin-aisle fleet. Since the 1980s, Boeing has purchased more than US\$1.5Bn in aviation hardware and services from China, and will double that in coming years. More than 5,700 Boeing aircraft currently in service include Chinese-made parts.

*****Boeing Forecasts Cargo Boom** as the company predicts airlines will order 30,900 new commercial aircraft valued at US\$3.6 trillion by 2029, according to its latest market outlook. The report said Boeing forecasts global cargo traffic will grow at an annual average rate of 5.9% until 2029. Boeing expects the world's freighter fleet to increase from 1,750 to 2,980 aircraft over the next two decades, and includes 740 new-production freighters (worth US\$180Bn at today's prices) and 1,750 aircraft converted from passenger models. Large freighters with over 80 tons capacity, will account for 520 new planes. Demand for medium-sized freighters with a 40-80 tons payload will total 210. Virtually all standard-body freighters, with less than 45 tons capacity, are expected to come from converted passenger jets.

*****Another Reason For Cargo Insurance** as United Airlines jetliner was diverted to Denver on July 20 after 30 people onboard were injured, one critically, when the plane hit severe turbulence while flying over Kansas, the FAA said. The Boeing 777 flight originated at Dulles Int'l Airport near Washington, D.C., and was headed to Los Angeles. It landed safely around 7:45 p.m. at Denver Int'l Airport, where it was met by medical crews, a Denver Fire Dept. spokesman said. FAA's spokesman in Los Angeles said 26 passengers and 4 crew were injured. He said one person was critically hurt, but he released no further details. Flight 967 was flying over Kansas at an altitude of about 34,000 feet when it hit the heavy turbulence. It was carrying 255 passengers & 10 crew members. One woman hit the side of the cabin, leaving a crack above the window, and several passengers flew into the air & hit the ceiling. **A simliar fate was suffered by the belly cargo.**

*****UPS Lite** as China's largest private air carrier Hainan Airlines has started a door-to-door air truck intermodal service from Beijing to north eastern city Changchun and Shenyang.
http://en.wikipedia.org/wiki/Hainan_Airlines

*****The 2nd Price Fix Wave** as Air France-KLM faces a fresh US\$420M lawsuit, after litigation firm Claims Funding Int'l (CFI) announced plans to file a claim against the carrier on behalf of its European shipper customers. The claim comes after Air France-KLM admitted its involvement in an air freight price-fixing cartel that has netted major airlines in Europe, the U.S., Canada & Australia. The airline group agreed to pay US\$87M to purchasers of air freight services in exchange for a release of claims in the settlement it recently reached with regulatory authorities in the US, reports London's International Freightling Weekly. According to comments cited by CFI, the carriers did not offer to compensate indirect purchasers, such as European shippers, that suffered losses as a result of the price-fixing cartel's action between 2000 & 2006.

*****American Airlines Says 100%** as it is ready to begin screening all cargo on passenger flights at DFW from August 1, after investing US\$10M to make the necessary changes, including the installation of seven x-ray machines. American handles about 750,000 pounds of cargo a day at its cargo facility at Dallas/Fort Worth International Airport.

*****Legendary Boeing Engineer** as Joe Sutter, 88, has been honored by readers of Flight Int'l magazine at the UK's Farnborough Int'l Airshow for his part in leading the development of the iconic 747 jetliner. "Joe Sutter helped shrink our planet for tens of millions of ordinary travelers," said Flight Int'l editor Murdo Morrison. "More than 40 years on, the Boeing 747 remains a unique and radical design - unmistakable and beautiful, but most importantly, a highly efficient people and cargo mover." Mr Sutter joined Boeing in 1946 as an aerodynamics specialist and worked on the Boeing 377, Dash-80, 707, 727 and 737. In 1965, he took on the role of chief project engineer of the new 747 program, which pioneered the twin-aisle widebody concept. He subsequently contributed to other Boeing jetliner development as well.

*****787 Delay - Again** as the 1st delivery of Boeing's new 787 jetliner may slip into early 2011 because of inspections & instrument changes on the flight test aircraft, the head of the program said July 15. Scott Fancher, general manager of the program for Boeing Commercial Airplanes, told reporters in a teleconference that Boeing still intends to deliver its first 787 to

Japan's ANA by the end of the year. He said that "as a cautionary note," Boeing is warning that the delivery might be extended a few weeks into 2011. If so, it would be another in a long series of delays on the 787 program, many due to problems with components built by suppliers around the globe that ship huge sections of the plane to be assembled at Boeing's Everett, Wash., plant. Boeing, which has orders for 863 of the twin-aisle jets, originally planned to deliver the 1st 787 in 2008.

*****Virgin America's Airbus Sharklet** as has announced it plans to order 40 new Airbus A320 aircraft, with options for 20 additional aircraft. The new aircraft would be delivered from 2013 through 2016 - with 10 firm orders per year on average, and options for 20 additional aircraft in 2017-2018. With this order of 40 new aircraft and growth from other sources, Virgin America's fleet is projected to grow from its current 28 aircraft to 90 aircraft by 2016 - a compounded annual growth rate of 21.5%. Virgin America is planning to benefit from the new, fuel-saving "Sharklet" option that is available beginning in late 2012 on A320 aircraft. Sharklets have been developed to enhance the eco-efficiency & payload-range performance of the A320 aircraft, resulting in at least 3.5% reduced fuel burn over longer sectors.

<http://blog.seattlepi.com/aerospace/archives/185193.asp>

<http://blog.flightstory.net/1413/a320-sharklet-wingtips-launched/>

*****Salute: U.S. Air Force Civil Air Patrol.....** as it delivered more than 10,000 volunteer hours & more than 1,000 flight hours have been contributed while providing aerial oil spill reconnaissance along the Gulf Coast as part of the Civil Air Patrol's Deepwater Horizon Response. To date, CAP aircrews have launched 497 sorties in support of the response, logging 1,099 flight hours in 33 of the organization's signature red, white and blue planes. In all, 239 CAP volunteers have put in 10,361 hours in support of the mission. **Bravo Zulu!**

www.qccivilairpatrol.com/

*****Hello Hebei Airlines** as on June 29 it was launched in Shijiazhuang, China's Hebei province. The airline plans to operate a fleet of 20 planes by 2015. Jizhong Energy Group controls 62% of the new airline, while Sichuan Airlines holds 35% and Shenyang Zhongrui Investment Co the remaining 3% stake. The carrier will launch several lines from Shijiazhuang to Qinhuangdao, Guilin, Shanghai, Chengdu and Hohhot in the near future.

*****May I Freshen Your Drink?** as French police have arrested an Air France stewardess on suspicion of stealing thousands of euros in cash, cards & jewelry as passengers slept on long haul flights, a newspaper reported on July 20. Police investigating thefts over several months on flights between France and the Far East picked up the 47-year old attendant, identified as Lucie R., after she landed from Tokyo on July 23, Le Figaro said. "Her bank accounts showed an absurd gap between her lifestyle & her declared income," a police investigator has said. Police launched an investigation in Jan. after about US\$5,170 was stolen from 5 passengers. The robber took advantage of sleeping passengers, taking euros, yen, and Swiss francs as well as watches, jewels, credit cards & even check books. According to the newspaper, the woman, who worked mainly in business class, began her spree in March 2009 to ease financial problems and has confessed to 26 thefts. Since Jan., there have been about 140 thefts. "The Japanese were ideal prey because they travel with lots of cash -- euros & yen -- instead of paying with credit cards," police said. Police found travelers' checks, blank cheques & bank card numbers at her home. We never heard this before!

*****We Found The Guns In Bermuda!** as not even officers from Israeli security service Shin Bet can escape the scourge of lost luggage it seems. A bag belonging to agents travelling with Prime Minister Benjamin Netanyahu was mistakenly put on a flight from New York to Los Angeles, not to Washington. Alarmingly the bag contained four 9mm Glock handguns, which are now missing. A Shin Bet spokesman told the AP news agency that it is not known whether the guns went missing before or after the luggage was put on the wrong flight. The Israeli officers were accompanying Prime Minister Netanyahu to Washington for White House talks with President Barack Obama. The Glock 9mm is a semi-automatic used by law enforcement and

security organisations around the world.
http://en.wikipedia.org/wiki/Glock_pistol

*****Volumes** >>> Cathay Pacific Airways and sister airline Dragonair have announced a year-on-year cargo and mail volume increase of 19.9% to 148,520 tons in June >>> Fraport AG based at **Frankfurt Airport** (FRA) has recorded a 32.2% increase in airfreight in the 1st half of the year compared to the same period last year to hit one million tons of cargo. >>> **Hong Kong Int'l Airport** (HKIA) hit a record high, moving two million tons of cargo in the first 6 months of the year, representing a 35.1% year-on-year increase, and in June, cargo throughput grew, but at a slower 28.6% rate to 347,000 tons year on year. >>> Singapore's **Changi Airport** handled 879,000 tons of air freight in the first 6 months of the year, an increase of 16.5% compared to the first half of 2009 and in June 150,000 tons of cargo were moved, up 13.1%, as aircraft movements for June amounted to 21,800 flights, an increase of 14.5%. >>> **Tampa Int'l Airport** (TIA) outbound cargo reached 6.85 million pounds, an increase of 3.9% in May and 8.6% in April to 6.92 million pounds.

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

4. FF World Ocean Briefs

*****Pirate Attacks Down - Danger Areas Remain** as the number of pirate attacks on shipping worldwide declined by 18% in the first six months of 2010 despite the increased range and capabilities demonstrated by Somali pirates, according to a report issued by the Int'l Chamber of Commerce's International Maritime Bureau. A total of 196 incidents around the world were recorded by the IMB's Piracy Reporting Center, compared to 240 incidents in the 1st half of 2009. This includes 31 vessels hijacked, 48 vessels fired upon and 70 vessels boarded. During this period, one crew member was killed, 597 crew members were taken hostage and 16 were injured. The coast of Somalia remains particularly vulnerable with 100 pirate attacks in 2010, including 27 hijackings. The number of attacks decreased compared to 2009 in the most dangerous maritime area of the world. Actual attacks in the South China Sea more than doubled in 2010. Incidents in the waters of Malaysia & Indonesia have increased whereas only one attack was reported in the Singapore Straits and one in the Gulf of Thailand.

*****Call For More American Ships** as the House Subcommittee on the Coast Guard & Maritime Transportation Chairman Elijah Cummings said July 20 that not enough U.S. cargo is carried by U.S.-flag ships and the decline is "both a security risk and an economic risk." "Since the 1980s, the U.S.-flagged fleet has been carrying what can only be described as an increasingly miniscule portion of our foreign trade, and this fact has serious implications both for our merchant marine and indeed for our nation's economy," the Maryland democrat said. Referencing President Obama's call to double exports in the next 5 years, Cummings said, "We should also work to formulate a meaningful U.S. maritime policy that will revitalize our merchant marine and expand the percent of U.S. trade carried in U.S. ships."

*****China's Volume Will Grow** as dry freight container production is expected to reach 1.5M TEU this year and top 2M TEU next year as demand is boosted by a strong rebound in global trade, analysts say. The country's standard box output plummeted from 3M TEU in 2008 to just 200,000 TEU last year, as trade slumped in the wake of the global financial crisis ... but that trend has now reversed.

*****Container Buy Prices UP**..... as Hong Kong's Singamas Container Holdings announced a hike of up to 9% in this year's prices for boxes amid a shortage of equipment & rebounding global trade volumes. The price of a standard TEU has risen 50% this year and it may climb to US\$3,000 in Dec., according to comments made by Singamas CEO.

*****Container Surge** as July will set a record for the most capacity delivered in any one month, according to maritime news service Alphaliner. In its weekly update, Alphaliner said

deliveries of several 10,000-TEU or larger ships this month will push more than 200,000 TEUs of capacity into the global fleet. It will also mean that capacity delivered through the first 7 months of the year will near 1 million TEUs, or 7.3% of the current fleet. The news service estimates another 500,000 TEUs will be delivered in the remainder of the year. Yet all the added capacity has not induced carriers back into idling vessels, with the world's idle fleet falling to 2%. No vessels above 5,000 TEU capacities, and only 34 carrier-controlled ships are idled. That's down from a record 272 units in April 2009. Only Maersk, Hanjin and Zim have any appreciable idle tonnage on their hands. "At the beginning of Jan. 2010, the idle fleet stood at 1.5 million TEUs, or 11.6% of the fleet at that time," Alphaliner said. "Over the last seven months, the idle fleet has dropped by a massive 1.2 million TEUs, or 9.5% of the fleet."

www.axsmarine.com/public/axsalph-news.php

*****Back-Haul Carriers** as APL has deployed several ships as "extra loaders" in the transpacific. A report this week, by information service Alphaliner, pointed to four vessels ranging in size from 4,256 to 2,141 TEUs sailing between China, Korea, Oakland and Seattle. An APL spokesman said the ships will act as "extra loaders" that will be used "essentially to retrieve equipment and will operate only while the need exists."

*****Shanghai Stays No. 1** as it has consolidated its position as the world's busiest container port ahead of Singapore, while Shenzhen looks set to overtake Hong Kong as the 3rd busiest within a few months. Shanghai saw its throughput rise 22.6% to 2.57M TEU in May, while Singapore handled 2.42M, up 15.4%. Shanghai first overtook Singapore in Sept. last year and since then the lead has see-sawed between the two, with Singapore the busier in the first 3 months of the year. Shanghai came out on top again in April with throughput rising 21% to 2.37M TEU, just ahead of Singapore's 2.32M TEU.

*****Expect More "Congestion Charges"** as COSCO Container Lines has said it will apply an off-dock charge US\$100 per TEU and US\$50 per empty from Aug. 1 for outbound cargo from Chittagong to north west Europe and Mediterranean ports. Delays have been attributed to labor inefficiency, a shortage of containers and changes in cargo handling agents "who are causing hassles requiring more time for loading and unloading of containers," reported Bangladesh's New Nation newspaper. The government is going to appoint new cargo handling agents at the port to keep the pace of rapid cargo handling," said the newspaper report.

*****Example of Peak Season Charges To Come** as MSC Line will impose a peak season surcharge on all shipments from the Far East to the U.S. East and West Coasts effective Aug. 15. The charge will be US\$320 per 20-foot equivalent unit, US\$400 per 40-foot equivalent unit and US\$450 per 40-foot HC container. The surcharge for shipments to the U.S. West Coast and U.S. intermodal points moving through or via U.S. West Coast ports is US\$400 per TEU, US\$500 per FEU & US\$563 per 40-foot HC container.

*****Undisclosed Cargo** as Maersk said it will stop accepting shipments of calcium hypochlorate shipments from China & Hong Kong origins "in order to ensure a safe voyage for our vessels." The decision comes in the wake of a fire aboard [M/V Charlotte Maersk](#) earlier this month. "We are presently investigating exactly where and how the fire on [M/V Charlotte Maersk](#) started," the company said. "Calcium hypochlorite was loaded in the area of the fire, and it is a possibility that the fire could have originated from that, but is still under investigation. "As long as the investigation is underway, we have decided as a precaution to stop accepting calcium hypochlorite from mainland China & Hong Kong." Classification society Det Norske Veritas noted in 2003 some representatives of container companies called for new regulations to police cargoes that "DNV has traced some of the worst fires on containerhips to undeclared combustible cargoes, such as shipments of the highly volatile calcium hypochlorite, a chemical compound used as a bleach & disinfectant for swimming pools." Maersk said shipments of calcium hypochlorite "already loaded to export vessels will continue to be delivered to their destination. Shipments received at the terminal but not yet loaded onto export vessel will be returned to shipper." After successful repairs, vessel is to re-enter the Maersk network in August. See

"Bombing Charlotte":

www.cargolaw.com/2010nightmare_maersk_cha.html

*****No More Free Box Lunch** as Evergreen Line & NYK Line joined a growing list of carriers that are stopping providing chassis for import & export cargo in the U.S. Both carriers said they will start phasing out containers in parts of the East Coast and gradually expand the program to the rest of the country. Evergreen said it will stop providing chassis in Boston as of Aug. 15. NYK said it will no longer provide chassis in Boston, Baltimore, Pittsburgh, Philadelphia and Miami as of Aug. 1 for import and export bills of lading. It plans to extend the policy to Oakland as of Sept. 1 and to other parts of the country as the program evolves. Both carriers said the move will improve operational efficiencies, free-up terminal space, reduce pollution, allow quicker turnaround times for truckers and for their customers. The U.S. is the only country where ocean carriers provide chassis, and it is neither efficient nor economical to continue to do so, Evergreen Line said. Maersk Line began charging drayage companies for use of its chassis in 2009 in the Port of New York and New Jersey, and has since rolled the program out to ports and terminals throughout the rest of the country. These changes in chassis policy follow similar moves by Atlantic Container Line and OOCL.

*****Rolling The Dice** as the Singapore Exchange (SGX) said on July 21 it will clear 4 new over-the-counter container swap contracts tied to components of the Shanghai Shipping Exchange's Shanghai Containerized Freight Index starting Aug. 2. The announcement comes on the heels of the launch of container freight swap trading on the LCH Clearnet Exchange in London. As in London, SGX will offer clearing services for container swap contracts on the 4 major container freight routes from Shanghai to North Europe, the Mediterranean and the U.S. West and East coasts. "Launch of the contracts will support the nascent container freight derivatives market by managing counterparty credit risk. Participants are able to gain access to SGX AsiaClear's large pool of counterparties without the need to set up credit agreement with individual counterparty," SGX said. Freight derivatives allow a buyer to take a position on where freight rates will stand at a point in the future, allowing shippers, carriers, and other participants in transportation industry to hedge container freight as they can dry bulk and tanker freight. Another sign of the growing interest in the container swaps is the formation of the Container Freight Derivatives Assn. as a forum for brokers & principals to discuss issues relating to the market. It has established a Web site, and will hold its first forum in Shanghai on Sept. 14.

www.cf-da.com/

*****Crossing The Line?** as employers of unionized clerical workers at the ports of Los Angeles & Long Beach in a statement released July 21 said while they have resolved issues on minor contract provisions during talks with Local 63A Office Clerical Unit (OCU) of the Int'l Longshore Warehouse Union, "negotiations over core issues remain stalled after yesterday's bargaining sessions." The employers group representing 14 shipping agencies & terminal operators complained that the union has been "all get and no give" in negotiations. The Los Angeles/Long Beach Harbor Employers Assn. said the union's "defiant stance is guided by self-interest, not the welfare of the wider harbor community, and it adheres to a playbook that includes disruption of port operations in Los Angeles & Long Beach as a tactic to coerce employers into agreeing to unreasonable demands." The union's contract expired on June 30. The employers said they have offered "multiple, meaningful concessions," but "OCU has refused to make any movement on any of the employers' key issues, continuing to insist that employers hire temporary & permanent workers even when there is no work to perform and that the technology framework both sides agreed upon in 2004 and again in 2007 be dismantled."

<http://harboremployers.com/web/news/press/details/?LOS-ANGELES-LONG-BEACH-WATERFRONT-LABOR-NEGOTIATIONS-UPDATE-25>

*****New Free Service Tracker** as ComPair Data has launched a weekly newsletter that allows shippers & service providers to track changes to ocean carrier services on a global basis. The ComPair Data ServiceTracker is a weekly report tracking changes in capacity & service rotations of the services of nearly 200 carriers operating on 104 trade routes. Readers may enroll

here to receive the free weekly newsletter.

www.americanshipper.com/ServiceTrackerSubscribe.htm

*****Up For The Oscar** as Transport Trackers, a Hong Kong-based independent transport advisory, has created a short animated movie about the collapse of the shipping markets that it has posted on YouTube called The Story of Shipping and the Greenspan Put. The 2.5minute film says Federal Reserve Chairman Alan Greenspan's "policy of flooding the world with cheap and easy money hurt traditional industries, industries such as the shipping sector."
www.youtube.com/watch?v=cZ-wNw8QYqk

*****Itsy Bitsy Problem** as Guam officials turned a commercial ship away from the island on July 20 when thousands of spiders were found infesting its cargo. The [M/V Altavia](#) was carrying housing units & other material from Korea that was to be used by construction crews to build military bases on the island, said U.S. military newspaper Stars and Stripes.
www.stripes.com/

*****France Goes Big** as it has christened France's biggest containership, the 13,800-TEU [M/V CMA CGM Christophe Colomb](#), at Terminal de France, Port 2000, in Le Havre. The first in a series of 8 vessels named after great explorers, this is the largest containership ever to sail under the French flag.

*****India Outsourcing Fails** as the opening of India's first int'l transshipment terminal suffered a setback when the ship delivering 4 gantry cranes from Shanghai ran aground after insufficient dredging was done to accommodate the berthing. The Chinese crane carrying ship, [M/V Zhenhua 10](#), could only be berthed after dredging was carried out. But it was not enough because the ship ran aground. She was moved off & conducted to the Ernakulam wharf of the old port. The Cochin Port authorities said further dredging would be done and the [M/V Zhenhua 10](#) brought to Vallarpadam shortly, reported the Gulf Times of Doha, Qatar. The Cochin Int'l Container Transshipment Terminal is built & operated by Dubai Ports World. If you call to complain, the phone will answer in Iowa.

*****U.S.-flag Great Lakes Comes Back** as freighters carried 10.36 million net tons of cargo in June, a 5% increase compared to May, and a 39% jump compared to June 2009. Coal shipments on the Great Lakes totaled nearly 3.9 million net tons in June, an 21.5% increase over May, and up 7.2% compared to June 2009.

*****Throughput >>> Port of Antwerp** handled 87 million tons of freight during the first 6 months of the year, an increase of 12.7% compared with the first half of last year when the volume came to 77 million tons. >>> China's **Fujian Province** recorded a 25.6% in port container movement to 4.09 million TEU in the 4st half year as **Fuzhou Port** moved 711,000 TEU with a increase of 27.8% while **Xiamen Port** handled 2.74 million TEU, up 28.3% year on year, reports Xinhua. >>> **Port of Los Angeles** posted a 32% increase in container volume in June to 203,871 TEU year on year >>> **Hong Kong** handled 2 million TEU in June, an increase of 16.7% over the 1.7 million in June of last year. >>> **Port of Long Beach** went up 25.8% to 141,935 TEU, beating all June figures since records began. >>> **Port of Redwood City** in northern California reported tonnage for its fiscal year ended June 30 fell 15%, reflecting the sharp drop in residential & commercial construction in the San Francisco Bay area. >>> **Shanghai Port** reported a 19% year-on-year increase in container throughput in the first half of the year to 13.86 million TEU, hitting a record high >>> **Singapore** reported an 14.2% increase in container movement in June, having handled 2.4 million TEU compared to 2.1 million TEU in June of last year >>> Port Metro Vancouver container volume increased 41.4% to 108,666 laden TEU year on year in May, rising to a 20-month high >>> **Vladivostok Container Terminal (VCT)** in the 1st half of 2010 handled 134,510 TEU, an increase of 55% year on year.

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

- 1802 - [Frigate Constellation](#) defeats 9 Corsair pirate gunboats off Tripoli.
- 1823 - After pirate attack, Lt. David G. Farragut leads landing party to destroy pirate stronghold in Cuba.
- 1846 - Commodore John D. Sloat lands at Monterey and claims California for U.S.
- 1905 - Body of [John Paul Jones](#) moved to Annapolis, MD for reburial.
- 1918 - Armored cruiser [USS San Diego](#) (ACR 6) sunk off Fire Island, N.Y. by a mine laid by German U-boat U-156.
- 1947 - First Navy all jet squadron (VF-17A) receives its first aircraft (FH).
- 1948 - [USS Putnum](#) (DD 757) evacuates U.N. team from Haifa, Israel & becomes first U.S. Navy ship to fly the U.N. flag.
- 1950 - [USS Boxer](#) sets record crossing of Pacific to bring aircraft, troops, and supplies to Korea at start of the Conflict.
- 1958 - [USS Nautilus](#) (SSN 571) departs Pearl Harbor for 1st submerged transit of North Pole.

*****Under Ground Zero** as the ship was buried as junk two centuries ago - landfill to expand a bustling little island of commerce called Manhattan. When it re-emerged this month, surrounded by skyscrapers, it was an instant treasure that popped up from the mud near ground zero. A 32-foot piece of the vessel was discovered in soil 20 feet under street level, amid noisy bulldozers excavating a parking garage for the future World Trade Center. Near the site of so many grim finds - Sept. 11 victims' remains, twisted steel - this one was as unexpected as it was thrilling. Historians say the ship, believed to date to the 1700s, was defunct by the time it was used around 1810 to extend the shores of lower Manhattan. Somehow, the workers operating the bulldozers missed the bulk of the ship, catching only the two timbers as they excavated underground ramps that will connect to an underground parking garage at the rebuilt trade center.

*****Moon Over Seattle** as it was full moon time after a Washington state ferry took evasive maneuvers to avoid a sailboat in its path. The Kitsap Sun reported the ferry sounded its horn and reversed engines July 10 afternoon to avoid hitting the boat at Eagle Harbor, near Bainbridge Island. The sailboat briefly disappeared from the ferry crew's view as they passed. When it was seen again, 4 men on board dropped their pants & mooned the crew.

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**5. [The Cargo Letter](#) Cargo Damage Dispatches
Back By Popular Demand**

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

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

www.cargolaw.com/presentations_casualties.html

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

www.cargolaw.com/gallery.html

See our new feature for July 2010: "**Bombing Charlotte**" - [M/V Charlotte Maersk](#)

http://www.cargolaw.com/2010nightmare_maersk_cha.html

Our other new feature for July 2010: "**Taken For Granite**" - [M/V Sophie Oldendorff July 4 201](#)

http://www.cargolaw.com/2010nightmare_tampa_fire.html

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

See our amazing "**Single**": "**Whale of A Tail Told**"
www.cargolaw.com/2000nightmare_singles.only.html#Whale-of-Tale

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

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>>>>>

Airbus A330-200F Freighter

<http://edition.pagesuite-professional.co.uk/launch.aspx?referral=other&pnum=&refresh=7Qg0m81K31Ps&EID=43ca3a37-0779-40ce-9652-f6ae9005d226&skip=>

America's Marine Highways

www.americasmarinehighways.com/

Container Ports Mapshows proportion of all shipping containers being loaded & unloaded -- amazing.

www.worldmapper.org/display.php?selected=38

Learn How to Grow Your Business Through Global Trade -- UPS Free Seminar Schedule

www.international.ups.com/seminar/

Logistics Outsourcing Will Grow by 32% from Logistics Today

http://logisticstoday.com/global_markets/logistics-outsourcing-grow-percent-0719/

New C-TPAT Risk Assessment Information With Frequently Asked Questions

http://cbp.gov/linkhandler/cgov/trade/cargo_security/ctpat/supply_chain/ctpat_assessment.ctt/ctpat_assessment.pdf

New U.S. Market Exporter Initiative

www.commerce.gov/news/press-releases/2010/07/12/secretary-locke-postmaster-general-potter-launch-new-initiative-boost

Next U.S. Customs Broker Exam is Monday, Oct. 4, 2010

www.cbp.gov/xp/cgov/trade/trade_programs/broker/broker_exam/notice_of_exam.xml

Port of Tampa Digital Magazine summer 2010

<http://tampa-july2010.cadmus.com/index.aspx>

Piracy Coasts of Somalia 2010
http://australia.to/2010/Somalia_Piracy.gif

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

U.S. Manufacturing Enhancement Act of 2010 to amend Harmonized Tariff Schedule of the U.S. & modify certain rates of duty. Still requires passage by the U.S. Senate & the President.

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h4380eh.txt.pdf

PRODUCTS>>>>>>>>>>

RMS Titanic 100th Anniversary Limited Edition Commemorative Coin contains authentic Coal recovered from the Titanic

www.titanicuniverse.com/titanic-coal-coin

EVENTS>>>>>>>>>>

Transport Events

www.transportevents.com/

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

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

3rd Annual Global Maritime Information Sharing Symposium 14-16 Sept. 2010, Baltimore, MD
www.gmsa.gov/gmiss

5th Southern Asia Ports, Logistics & Shipping 2010 17 Sept., Mumbai, India
www.transportevents.com/EventsDetails.aspx?EventID=EVE007

7th Int'l Marine Claims Conference 22-24 Sept. 2010, Dublin
www.marineclaimsconference.com

8th Intermodal Africa 2010 29 & 29 Oct. 2010, Cape Town SA
www.transportevents.com/EventsDetails.aspx?EventID=EVE008

25th Int'l Air Cargo Forum & Exposition Nov. 2-4, 2010, Amsterdam, Netherlands
www.tiaca.org/tiaca/ACF.asp?SnID=1564325440

2010 Shanghai World Expo May 1 - Oct. 31 2010
www.worldexpochina.net/

2010 SNAME Annual Meeting and Expo Nov. 3-5, 2010, Seattle /Bellevue, Washington
www.sname.org/SNAME/AM/Home/

ATA Management Conference & Exhibition 16-19 Oct. 2010, Phoenix, Oct. 16-19
www.truckline.com/mce/Pages/default.aspx

http://rfid.thingmagic.com/100-uses-of-rfid?utm_campaign=100-Uses-of-RFID

Ask Gadling: How do I Get Bumped From A flight?

www.gadling.com/2010/07/21/ask-gadling-how-do-i-get-bumped-from-a-flight/

CAV Air Tractor

<http://cavaviation.com/>

F-22 Raptor Video - California Capital Airshow

www.kbvp.com/extreme-videos/f-22-raptor

Falcon 10 Tire Explodes While Being Serviced

www.youtube.com/watch?v=oyzg6y7fqGQ

How To Get Rid of A Telephone Solicitor

<http://howtoprankatelemarketer.ytmnd.com/>

Icebergs across the North Atlantic

www.marinelink.com/news/icebergs-atlantic-across334857.aspx

Intrigue Idles Soviet-Era Jet In Michigan

<http://online.wsj.com/article/SB10001424052748704334604575339463022126910.html>

Museums Scramble For Retiring Space Shuttles

www.gadling.com/2010/07/25/museums-scramble-for-retiring-space-shuttles/

Next American Tanker: Boeing or Airbus? You Decide

www.realamericantankers.com/?gclid=CNfH89ueh6MCFRpZiAod8DMLpw

Skymall Things You Didn't know You Needed

www.gadling.com/tag/skymall-monday/

Sound-Activated Video Spy Pen Camera Camcorder

www.lightinthebox.com/8GB-1280x960-Sound-Activated-Video-Spy-Pen-Camera-Camcorder-Black-ABC034-p64030.html

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

7. New U.S. Transport Related Legal Cases _____

LI Insurance Company v. All Star Transportation, Inc.

U.S. Court of Appeals, DC Circuit, Case No. 09-7027

Jun. 22, 2010)

The trucking industry consists of three main players: (i) shippers, who typically are manufacturers sending goods to retailers or others; (ii) truckers, who transport the goods; and (iii) brokers, who act as intermediaries between shippers & truckers. When a shipper needs to send goods, it hires a broker. The broker arranges for shipment by finding a trucker to transport the goods. The broker receives money from the shipper and, after taking a cut for itself, pays the trucker. The problem at the root of this case is that the broker sometimes fails to pay the trucker. To protect the trucker, a 4th player is brought in – the surety. Federal regulations require brokers to obtain a surety bond – akin to a guarantee – in the amount of US\$10,000. Therefore, if a broker does not pay a trucker, the surety does so, at least up to US\$10,000.

This case involves Sam's Transportation Services, a broker that went into bankruptcy. Sam's maintained a surety bond with RLI Insurance Company, a surety. The face value of the bond was

US\$10,000. Because of Sam's pending insolvency, Sam's failed to pay numerous truckers that it owed. Some of the truckers filed claims with RLI to recover payment under the surety bond. RLI refused to pay more than a total of US\$10,000 and instituted an interpleader action in court. The truckers assert that, under the bond, RLI must pay up to US\$10,000 on each claim. RLI counters that it need only pay US\$10,000 total for all claims combined. The court agreed with RLI, and therefore affirmed the judgment of the District Court.

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

The Cargo Letter Correspondents:

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

The Cargo Letter
(since 1978)

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

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>>>>>>www.cargolaw.com/cl-archives.php<<<<<<<<

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