



US\$12.50.

According to a joint press release, "The combination of UPS and TNT Express will create a global leader in the logistics industry, with annual revenues of more than US\$60Bn and will deliver significant benefits for the shareowners, customers, employees and other stakeholders of both companies."

The deal has been given the go-ahead by the supervisory and executive boards of TNT Express, and PostNL, which holds 29.8% of the outstanding shares in TNT Express and had been reportedly holding up an earlier deal between the two firms, has committed itself to the acquisition. The deal helps UPS gain a bigger share of business outside the U.S. Today, 26% of the integrator's revenues are derived from outside America's borders; once UPS integrates TNT Express into its system, that number will rise by 10%. The transaction is expected to be EPS accretive in year one.

TNT has a broad South Asian road network, which would certainly give UPS an advantage in the Asian market, but the new venture may represent a majority of the market in some European countries, triggering European antitrust laws.

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

[www.tnt.com/express/en\\_us/site/home.html](http://www.tnt.com/express/en_us/site/home.html)

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

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

**\*\*\*CargoNet Sounds Alarm** ..... as the source for cargo theft information said it recorded 1,215 cargo theft incidents last year, 17% more than the 1,035 in 2010. Its annual report said 116 incidents involved base metals, 229 electronics, 105 apparel & accessories, and 200 prepared foodstuffs and beverages. Most cargo theft incidents occurred on Fridays (227), Saturdays (202) & Sundays (198) at locations such as truck stops, carrier/terminal lots and unsecured parking lots. The report said 85% of the reported cargo thefts took place in 10 states, and that municipalities containing a major port continued to be targets for cargo theft activities. Total estimated U.S. cargo related theft loss value in 2011 is approximately US\$130,000,000. The greatest number of thefts took place in California, Texas, Florida, New Jersey & Illinois. Read 2011 U.S. Cargo Theft Report in PDF format.

[www.cargonet.com/cargo\\_theft\\_reports/2011.pdf](http://www.cargonet.com/cargo_theft_reports/2011.pdf)

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

**\*\*\*Seasonal Smiles** ..... as importers who sell to America's major retailers are preparing for a significant uptick in consumer spending this spring & summer according to a recent survey conducted by Capital Business Credit, a non-bank lender that services the retail sector. According to the quarterly Global Retail Manufacturers & Importers Survey, 43.2% of respondents believe the 2012 spring season will be stronger than 2011, and 40% believe the 2012 summer season will surpass last year's sales. Fears of a double dip seem to be declining, as an additional 40% of respondents believe that the spring & summer retail seasons will be at least as robust as last year's.

<http://capitalbusinesscredit.com/http://capitalbusinesscredit.com/>

**\*\*\*Admiring Transport** .... as for the 50 most admired companies of 2011 overall, Fortune magazine's survey asked businesspeople to vote for the companies that they

admired most, from any industry. Four of the Top 50 were from our transport industry. And yes, Apple was #1.

4. **Southwest Airlines**
8. **FedEx**
18. **Singapore Airlines**
30. **UPS**

**\*\*\*FIATA Continues To Los Angeles.....** as Zurich hosted a record setting of 261 active participants from 61 countries around the world at the **2012 FIATA Headquarters Session** on 16-18 March. This is a good sign in anticipation of record numbers at the **2012 FIATA World Congress** in **Los Angeles** this fall.

[www.fiata2012.org/ehome/index.php?eventid=23377&www.facebook.com/pages/Transportation-Intermediaries-Association/117074095521](http://www.fiata2012.org/ehome/index.php?eventid=23377&www.facebook.com/pages/Transportation-Intermediaries-Association/117074095521)

**LA & Hollywood Tours Just Announced For 2012 FIATA World Congress**  
[www.dmcnetwork.com/event/2012FIATAWorldCongress](http://www.dmcnetwork.com/event/2012FIATAWorldCongress)

**\*\*\*KORUS For Us .....** as on March 15, 2012, the US-Korea Free Trade Agreement, or KORUS, was implemented in both the U.S. and Korea. Under the deal, both countries would abolish tariffs on 85.7% of U.S. goods and 87.3% of South Korean goods in the first 3 years. They have also agreed to phase out 95% of tariffs on industrial goods over the next 5 years. For exports to qualify, they must show that the product's country of origin is the United States, meaning a country of origin certificate is required. The Agriculture Transportation Coalition (AgTC) has created a Certificate of Origin for Plants, Animals and Products for the exclusive use of AgTC members and is available for free. South Korea has signed similar agreements with a number of other countries including Chile, Singapore, India and the Assoc. of Southeast Asian Nations. Read the final text:

<http://lists.msk.com/t/2458689/1804913/893/0/>

[www.agtrans.org/index.php/component/content/frontpage.html](http://www.agtrans.org/index.php/component/content/frontpage.html)

<http://english.yonhapnews.co.kr/national/2012/03/14/37/0301000000AEN20120314004900320F.HTML>

**\*\*\*Say It's Not True ....** as the U.S. Commerce Dept. investigation has determined China subsidizes its exports of crystalline silicon photovoltaic cells, and said U.S. imports of these products should be subject to countervailing duties. The subsidies in China range from 2.9% to 4.73%, according to the Commerce Dept. As a result of this preliminary determination, Commerce will instruct U.S. Customs & Border Protection to collect a cash deposit or bond based on these preliminary rates, applicable to all entries of Chinese solar cells made up to 90 days prior to the preliminary determination. In 2011, imports of solar cells from China reached US\$3.1Bn. Goods covered by the duty investigation is currently classified in the Harmonized Tariff System of the U.S. under subheadings 8501.61.0000, 8507.20.80, 8541.40.600 and 8541.40.6030. This is why Solyndra is no longer with us.

**\*\*\*Rare Trade Problem ....** as a dispute has developed between China, the U.S., EU & Japan over Rare Earth exports, this dispute, simmering below the surface for some time now, has come to the surface as a full fledged feud, and has escalated to the WTO. The U.S., European Union & Japan recently filed a joint complaint before the WTO, accusing China of rationing exports of 3 Key raw materials, including Rare Earth metals. The WTO case could take years to resolve and may not help to increase

supplies of the metals, which are used to manufacture an array of high-tech goods, including portable music players, electric car batteries, wind turbines and missiles. China has about 36% of the World's known Rare Earth deposits, but its exports account for 90% of Global demand for the metals. The 17 controversial rare earth elements have unique magnetic, heat resistant, and phosphorescent properties, and are crucial ingredients in the manufacturing process of many high-tech and green energy products, including wind turbines, engines for electric and hybrid vehicles, and medical equipment. Rare earth elements:

[http://en.wikipedia.org/wiki/Rare\\_earth\\_element](http://en.wikipedia.org/wiki/Rare_earth_element)

**\*\*\*Boeing Gets The WTO Trade Edge** ....as on March 12, the U.S. largely prevailed in a World Trade Organization dispute over claims by the European Union related to The Boeing Co. In specific, the WTO Appellate Body rejected claims that the U.S. provided massive trade-distorting subsidies to Boeing and affirmed a dispute settlement panel's March 2011 finding that most of the programs challenged by the EU were not subsidies. Further, the Appellate Body affirmed the value of WTO-inconsistent subsidies was far below what the EU alleged. In May 2011 the WTO Appellate Body found the European Union gave Airbus US\$18Bn in subsidized funding, which resulted in lost market share and lost sales involving 342 large civil planes produced in the U.S. In the new findings, the comparable figures were between US\$3Bn & US\$4Bn in U.S. subsidies, and lost sales of just slightly more than 100 planes.

**\*\*\*Banning U.S. Export Ban** ..... as a U.S. law banning the export of recycled material, typically scrap & electronic waste, is in violation of treaties governing American external trade, according to the Congressional Research Service (CRS), known as "Congress's think tank", is the public policy research arm of the U.S. Congress. The CRS report said the U.S. cannot unilaterally impose restrictions on electronic exports without risking repercussions in the WTO system, in particular, the General Agreement on Tariffs and Trade (GATT). The CRS said e-waste export restrictions, contained in the Responsible Recycling Act (RERA), are hard to reconcile with the WTO's general exceptions to protect human, animal or plant life.

[http://en.wikipedia.org/wiki/Congressional\\_Research\\_Service?oldid=cur](http://en.wikipedia.org/wiki/Congressional_Research_Service?oldid=cur)

**\*\*\*New Help For Exporters** .... as the U.S. Export-Import Bank will be opening branchess in Atlanta, Detroit, Minneapolis, and Seattle by this summer. This will provide local small business exporters with improved access to Ex-Im Bank products and services. The Washington-based bank provides a variety of financing mechanisms, including working capital guarantees, export-credit insurance and financing to help foreign buyers purchase U.S. goods and services.

[http://en.wikipedia.org/wiki/Export-Import\\_Bank\\_of\\_the\\_United\\_States](http://en.wikipedia.org/wiki/Export-Import_Bank_of_the_United_States)

**\*\*\*Bank of America Merrill Lynch Trade Portal** ..... as they have introduced Trade Pro, an Internet portal to manage customer trade & supply chain transactions. Through a single, online solution, users can consolidate and manage import & export trade activity.

[http://corp.bankofamerica.com/public/public.portal?\\_pd\\_page\\_label=landing/tradepro/index](http://corp.bankofamerica.com/public/public.portal?_pd_page_label=landing/tradepro/index)

**\*\*\*New CN Fleet** .....as Canadian National Railway said it will buy 161 high-horsepower locomotives (65 new & 96 used) to accommodate anticipated traffic growth and to improve efficiency. The current fleet of 1,900 locomotives employs direct-current

(DC) traction technology, but many of the new units from GE Transportation & Electro-Motive (EMD) will be powered by alternating-current (AC) traction, which features much higher adhesion or train-pulling ability at low speeds. CN will assign the new AC units to heavy-haul coal service in northern British Columbia & Alberta, where steep grades & sharp rail curvature make heavy demands on locomotives.

**\*\*\*Grand Central Terminal Has New Look & Big Birthday** ..... as it will celebrate its centennial as a landmark transportation hub. The railroad station that has served as a gateway to the city since 1913 unveiled a new logo, featuring an image of the big clock that's a popular meeting spot in the marble-paved main concourse. Each morning, as commuters rush through the 80,000-square-foot hall, they encounter a lighting effect that lends the terminal its charisma: "sunlight beaming through the eastern windows," Joseph Lhota, chairman of the Metropolitan Transportation Authority, said. Grand Central serves 750,000 commuters daily plus visitors who shop, take photos and eat at both high-end and affordable restaurants. Modeled on ancient Roman baths, the Beaux Arts building is home to Metro-North, the nation's busiest commuter railroad that links the city with its northern suburbs. Metro North is replacing its older cars with new ones. By 2016, it will not be Grand Central's only rail service; tunnels are being excavated so the Long Island Rail Road that operates from Manhattan's Penn Station also will stop at the terminal. Grand Central opened on Feb. 1, 1913, as the world's largest train station. On that day a century later, the terminal will be rededicated, said centennial committee chairman Peter Stangl. The honorary chair is Caroline Kennedy, daughter of President John F. Kennedy.

[www.huffingtonpost.com/2012/03/20/grand-central-new-logo\\_n\\_1368248.html](http://www.huffingtonpost.com/2012/03/20/grand-central-new-logo_n_1368248.html)

**\*\*\*All Aboard Florida!** ..... as Florida East Coast Industries, Inc. is developing a privately owned & operated passenger and freight rail service to connect South Florida and Orlando, which will be operational in 2014. More than 50 million people travel between Orlando & South Florida annually. The project will connect South Florida to Orlando through a 240-mile route combining 200 miles of existing tracks between Miami & Cocoa and the creation of 40 miles of new track to complete the route to Orlando. Eventually the system could be expanded with connections to Tampa & Jacksonville.

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

**\*\*\*Truck Stop Lobbyists** .... as on March 14, the U.S. Senate voted down an amendment during consideration of the federal highway bill that would have allowed commercialization of interstate rest areas. The measure — which was authored by Sen. Rob Portman (R-Ohio) and was opposed by a coalition representing sellers of food and fuel products — was defeated 86-12, the coalition said. "This marks a major victory for the 97,000 highway-based businesses across America and the 2 million people they employ," said Lisa Mullings, CEO of the truck stop trade group NATSO and a member of the coalition, known as the Partnership to Save Highway Communities.

**\*\*\*Cold Solution** ..... as Klinge Corp. has announced its Blast Freezer Model CBU-30 which is primarily used for the quick freezing of high-value seafood & meat. The picture frame style freezer is designed for freezing cargo to -60°C (-76°F and is mounted to 20' or 40' ISO containers or trailer bodies}.

[www.klingecorp.com/CBU-30.htm](http://www.klingecorp.com/CBU-30.htm)

**\*\*\*Over Watch** .... as part of its KN PharmaChain product, Kuehne + Nagel group will begin deploying newly developed active wireless sensors that are designed to record &

transmit the temperature of pharmaceutical airfreight shipments along the entire supply chain. The use of active wireless sensors is mainly intended for pharmaceutical products. Generally, security rules prohibit the active use of mobile sensors during the air transport. However, together with a number of airline partners, the Swiss logistics group thoroughly tested low-emission devices which stay active during the flight to constantly measure & report the temperature, practically, in real-time. To guarantee temperature visibility from pick-up to delivery, warehouses and logistics facilities both belonging to the company and its airline partners will be equipped with transmitting technology. Full transparency is provided to customers as the temperature indications can be viewed directly inside the KN Login online tool.

[www.kn-portal.com/about\\_us/kn\\_login\\_solutions/mobile\\_application/](http://www.kn-portal.com/about_us/kn_login_solutions/mobile_application/)

**\*\*\*Honored Woman** ..... as Navistar, Inc. and the Women In Trucking Assn. (WIT) presented the 2nd annual "Influential Woman in Trucking" award to Joyce Brenny, Owner, Brenny Transportation, Inc. & Brenny Specialized, Inc., at a ceremony March 6, during the Truckload Carriers Assn. (TCA) annual meeting.

<http://brennytransportation.com/>

**\*\*\*Five Different Views of Logistics In Year 2050** ..... as with its release of the study of the future, "Delivering Tomorrow: Logistics 2050", Deutsche Post DHL is taking a far-reaching look into the future of trade, business and society. The study examines five different scenarios of life in the year 2050. Study & video:

[www.dp-](http://www.dp-dhl.com/content/dpdhl/en/logistics_around_us/delivering_tomorrow_logistics_2050.html)

[dhl.com/content/dpdhl/en/logistics\\_around\\_us/delivering\\_tomorrow\\_logistics\\_2050.html](http://www.dp-dhl.com/content/dpdhl/en/logistics_around_us/delivering_tomorrow_logistics_2050.html)

**\*\*\*Trusted Ketsikaew Transport** ....as a Thai taxi driver has returned gold worth US\$450,000 to a customer who left the jewelry behind 3 days earlier. Police Col. Naradet Tiprak said on March 19, driver Saksi Ketsikaew turned in 8.2 kilos (289 ounces) of jewelry in cardboard boxes. He said gold seller Ekarat Kanokwannakorn bought the gold in Bangkok, but forgot it in the taxi while he was helping his sick wife. Naradet said police were skeptical about the delay, but Ekarat was happy to get back the gold and didn't seek to press charges. The loss had been widely publicized. Ekarat rewarded the driver with 2 necklaces together worth about US\$10,000.

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## 2. [The Cargo Letter](#) Financial Page \_\_\_\_\_

**\*\*Air Transport Services Group (ATSG).** **UP** with a 14% increase in 4th quarter net profit year on year to US\$13.5M, drawn on revenues of US\$166.5M, down 7%.

**\*\*Cathay Pacific Airways.** **DOWN** with a full-year 60.8% net profit decline to US\$708.8M.

**\*\*CMA CGM.** **DOWN** with a net loss of US\$30M on revenue of US\$14.87Bn, in 2011, compared to a profit of US\$1.6Bn in 2010.

**\*\*Damco** (Maersk's standalone forwarder). **UP** with a 29% year-on-year profit increase to US\$97M in 2011, drawn on revenues of US\$2.8Bn, up 3.7%.

**\*\*FedEx.** **UP** with a 126% 3rd quarter net profit increase to US\$521M, with revenue up 9% to US\$10.56Bn.

**\*\*Hapag-Lloyd** (world's No 4 container carrier) **DOWN** with a net loss of US\$38.3M in 2011, despite an operating profit of US\$133.3MUS, after reporting a \$565M net profit in 2010.

**\*\*Kuehne + Nagel.** **UP** with a 0.16% increase in profit to US\$665M.

**\*\*Lufthansa Cargo. DOWN** with net losses of US\$17M in 2011, down from record profit of US\$1.5Bn in 2010, due to costs from valuation & sale of its UK-based British Midland Airways (BMI).

**\*\*OOCL. DOWN** with operating profits of US\$183.6M in 2011, a huge decline from the US\$922.9M the company made in 2010.

**\*\*Regional Container Lines (RCL). DOWN** with a net loss of US\$25.8M.

**\*\*Seaspan. DOWN** with an 83.4% decline in 2011 net profit to US\$23.5M.

**\*\*UTi Worldwide. UP** with profit for 4th quarter ending Jan. 31 of US\$12.4M, compared with US\$14.5M in the same period a year earlier.

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

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

**\*\*\*IATA, TIACA, FIATA & Global Shippers' Forum Unite** .....as the Global Air Cargo Advisory Group (GACAG) is now their combined Internert voice. GACAG's website currently provides information about the coalition's four task forces — customs and trade facilitation, e-commerce, security and the sustainability of the global air cargo industry — and identifies the members of each group. The unified voice of air cargo: [www.gacag.org/gacag/default.asp](http://www.gacag.org/gacag/default.asp)

**\*\*\*Family Feuled**..... as putting their differences aside, competitors Airbus, Boeing & Embraer have signed an MOU to collaborate on the development of aviation biofuels. In joint press releases, the aircraft manufacturers detailed their plans to "speak in unity to government, biofuel producers and other key stakeholders to support, promote and accelerate the availability of sustainable, new jet fuel sources." The aircraft manufacturers seek to fulfill the International Air Transport Assn's goal of slashing carbon emissions in half by 2050.

**\*\*\*Carbon Tax Backlash** ..... as China's airlines have suspended purchases of 10 Airbus jets over a rift between Beijing & Brussels grows over the EU's aviation carbon emissions tax, Reuters reported. Citing unidentified sources, it was also reported Airbus confirmed China had blocked the purchase of 35 long-haul A330s and 10 Airbus A380 superjumbos worth US\$12Bn. Two sources familiar with the matter said China would delay 10 more A330 long-haul planes from the European aircraft maker, on top of the thirty-five A330s and ten A380 superjumbo jets blocked earlier last week. In total, sales of 55 Airbus planes worth US\$14Bn have now reportedly been put on hold - about 10 per cent of all Airbus planes ever delivered to China. While Airbus did not say which airlines had delayed their purchases, insiders say it was Hong Kong Airlines, 46% owned by the Hainan Group. Meanwhile, the U.S. rival Boeing looks forward to mega sales for its 777 long-haul mini-jumbo, which has been selling well in China.

**\*\*\*Fixing The Forwarders** ..... as the European Commission has fined 14 air forwarders US\$225M for price fixing with the largest fine - US\$71.5M - going to Swiss logistics giant Kuehne + Nagel (US\$71.5M) with fellow Swiss operator Panalpina having to pay US\$61.9 M penalty. Both are contemplating appeals. The Wall Street Journal reported that the probe, started with EC office raids in Oct. 2007, concerned price-fixing in 4separate cartel infringements, including services from the UK to outside the European Economic Area to the U.S., China and from southern mainland China and Hong Kong to European destinations. In Nov. 2011, Kuehne + Nagel made a plea bargain with U.S. Justice Dept. prosecutors and agreed to pay a US\$9.8 M fine,

reported American Shipper. Panalpina settled with the U.S. prosecutors for US\$12M.

**\*\*\*Bite of The Apple** ..... as must-have high-tech devices, such as Apple's new iPad sensation, will likely cause a mini-boom for Asia-Pacific air cargo carriers this year, say industry experts. The semiconductor product industry has begun a rebound shown in booking increases, "signs that the air cargo industry may recover more quickly than most currently expect," ING group chief economist Tim Condon told Bloomberg in Singapore. Hong Kong's Cathay Pacific Airways is expected to grow the most in the region with Korean Air Lines 2nd highest.

**\*\*\*American Airlines Cuts Loose** ..... as it has asked a federal bankruptcy judge next week to throw out its union contracts if it can't reach cost-cutting deals with labor unions. One of American's lead lawyers in the bankruptcy case said on March 22, the company & unions have bargained in good faith, but he doesn't expect them to reach compromises. American and parent AMR Corp. filed for bankruptcy protection in Nov. Last month, the airline made cost-cutting proposals to the unions that included the elimination of 13,000 jobs, the outsourcing of maintenance work, hiring regional airlines to do flying now handled by American pilots and increasing working hours for many employees. Under federal bankruptcy law, judges can let companies break union contracts if the company first negotiates with its unions and then shows it needs relief from the contracts to be successful. Unions for pilots, flight attendants & ground workers have been expecting the company to seek to break the contracts, which they said would destroy morale among American's 73,000 employees. American says it needs to cut costs by US\$2Bn per year, with US\$1.25Bn coming from lower labor expenses. American's much-smaller regional affiliate, American Eagle, said Wednesday that it needs an additional US\$75M per year in labor savings.

**\*\*\*Merger Intelligence** .... as U.S. Airways has been rumored as a potential acquirer of American Airlines since the latter went into bankruptcy protection. Over two dozen recent domain registrations suggest that the acquisition is very likely, if not a done deal. On March 9, the same day American parent company AMR asked for an extension on its bankruptcy reorganization, American Airlines or U.S. Airways registered a number of domains for the combined entity. The domains were registered through DNStinations, an affiliate of brand protection company MarkMonitor.

**Among the domains registered:**

[american-usairways.com](http://american-usairways.com), [.net](http://american-usairways.net), and [.org](http://american-usairways.org)

[americanairlinesusairways.com](http://americanairlinesusairways.com), [.net](http://americanairlinesusairways.net), and [.org](http://americanairlinesusairways.org)

[americanusairways.net](http://americanusairways.net) (the [.com](http://americanusairways.com) was registered by someone else in 2010)

[usairways-american.com](http://usairways-american.com), [.net](http://usairways-american.net), and [.org](http://usairways-american.org)

[usairwaysamerican.com](http://usairwaysamerican.com), [.net](http://usairwaysamerican.net), and [.org](http://usairwaysamerican.org)

[usairwaysamericanairlines.com](http://usairwaysamericanairlines.com), [.net](http://usairwaysamericanairlines.net), and [.org](http://usairwaysamericanairlines.org)

[usandaa.com](http://usandaa.com), [.net](http://usandaa.net), and [.org](http://usandaa.org)

**\*\*\*Forget The Cargo Pilots?** ..... as the Air Line Pilots Assn. Int'l (ALPA), gathered representatives from government agencies, the airlines, and other aviation labor groups at a landmark conference this month to explore how the Federal Aviation Administration's new pilot fatigue rule could be put into practice and how the airline industry can implement Fatigue Risk Management Programs and other tools to further enhance aviation safety. "The monumental achievement embodied by the FAA's new science-based regulations was not without political interference and the result was a 'carve-out' that excludes pilots who fly cargo from this important safety regulation and

places them at a lower level of safety," said Capt. Lee Moak, ALPA's president. "ALPA will not waver in its commitment to achieving 'One Level of Safety' throughout the airline industry. A fundamental component of this goal includes applying the new fatigue rules to all professional pilots, regardless of whether they transport passengers or cargo. As long as pilots who fly cargo are excluded from these critical safety regulations, ALPA's work is not complete. We are committed to achieving the same high safety standards for all air carrier operations, and to include pilots who fly cargo in the FAA's new pilot fatigue regulations, which represent a monumental improvement in aviation safety."

**\*\*\*Around-The-Word** ..... as starting March 27, DHL connected Hong Kong, Los Angeles & Leipzig via an around-the-world express flight. The new route benefits from DHL's extra Boeing 777F capacity, provided by the multiyear deal the integrator inked with Southern Air in November. Southern Air already operates a 777F flight on behalf of DHL on round-trip routing from Hong Kong Int'l Airport to Cincinnati/Northern Kentucky Int'l Airport. DHL's new intercontinental service adds new regions, including the Western U.S. & Canada. The new DHL route also marks the first time that customers in some Asian cities will enjoy one-day express delivery. Customers in California will also benefit from the new service, according to the press release. Thanks to direct service to Leipzig/Halle Airport, residents of Los Angeles, San Diego, San Francisco and other key cities in California will be able to ship express cargo to Europe 3 hours later than before.

**\*\*\*The New Big Port** ..... as Chinese authorities are slated to begin construction on Beijing's newest airport later this year. State-owned China Radio Int'l said the yet-to-be-named airport will handle 5.5 million tons of freight annually when it opens its doors in Oct. 2017. Beijing's new airport will also feature nine runways and welcome more than 130 million passengers a year, according to China Radio Int'l. Such a volume will eclipse Hartsfield-Jackson Atlanta Int'l Airport as the busiest passenger airport in the world. The airport will be located in rural Daxing and span 6,620 acres, according to recent reports. In an online report, Beijing-based economic magazine Caijing estimated the cost of the new airport at US\$4.8Bn. Beijing is currently home to Beijing Capital Int'l Airport — which trails Hartsfield-Jackson as the world's busiest airport

**\*\*\*DHL Regiggers In The U.S.**, .... as it is investing US\$47M to expand its Americas hub facility at the Cincinnati / Northern Kentucky airport (CVG) to meet the growing demands of international shipping customers. The expansion will deliver a new 193,000 square-foot sort facility and create approximately 280 new jobs at the DHL CVG hub over the next 12 months. The company recently held a groundbreaking ceremony at the Cincinnati hub. The groundbreaking marks the beginning of construction of a 193,000 square foot sort facility connected to the existing main sort facility at CVG. The new sort building is expected to be operational by Nov. 2012.

**\*\*\*Over The Pole** .... as Russia's AirBridgeCargo Airlines has operated its first flight over the North Pole en route from Chicago to Krasnoyarsk. The Boeing 747-400 freighter operating the flight was said to be carrying a very special load - 175 Angus-bred heifers, weighing a total of 104,000 kilos. The animals landed safely at Krasnoyarsk's Emelyanovo Airport from where they were transported to a local breeding farm. "This type of flight requires a high level of expertise from the crew because it differs from regular flight operations. Transpolar traffic is subject to zero wind conditions and can face satellite navigation system errors, radiation hazards and disrupted radio contact," a company statement said.

**\*\*\*Volumes >>>** Air France - KLM suffered a 5.1% year-on-year decline in Feb. cargo despite a slight decrease in capacity of 0.8%, and a load factor was down four percentage points to 63.7%. >>> **Cathay Pacific Airways** & sister airline **Dargonair** saw cargo volume rise 0.8%. year-on-year in Feb. to 117,880 tons. >>> **Frankfurt Airport**, the 2nd largest air cargo hub in Europe, saw volume drop 9.1% to 155,105 tons in Feb. year on year.

**\*\*\*United Airlines Over The Years** ..... a photo feature  
[www.chicagotribune.com/business/chi-biz-united-airlines-planes-pictures,0,5917200.photogallery](http://www.chicagotribune.com/business/chi-biz-united-airlines-planes-pictures,0,5917200.photogallery)

**\*\*\*\*Marooned** ..... as a 13-hour flight from San Francisco to Shanghai is not a commuter flight, but the 262 passengers on a United Airlines flight were ready for that. Instead, they were stranded in Anchorage, Alaska, for two days. United Flt. 857 diverted to the nearest airport - Anchorage - when several lavatories were found to be inoperable about three hours after the flight's 2 p.m. March 18 departure from San Francisco. Passengers told the Anchorage Daily News they waited in their seats until 8 p.m. before they were allowed to deplane. The airline handed out hotel and meal vouchers, but with only a handful of employees to handle the task, it took several hours, the newspaper reported. "It was 10 or 11 p.m. before we had the meal vouchers," said passenger Chen Chang of Fremont, Calif. "Everything was closed." Passenger Camille Chen said hotels wanted credit cards for check-in, and a number of passengers traveling back to China didn't have those. United brought in another plane Monday, and passengers boarded, but that plane also had problems. Passengers finally took off March 20 afternoon on a third Boeing 777. "If we'd known we'd be here this long, we might have done some sightseeing," said Tammy Harmon of Cupertino, Calif., taking a look at Anchorage's blue skies & snow-covered Chugach Mountains.

**\*\*\*Drunk Driver High Speed Chase On Runway 27 Right**..... a YouTube film feature  
<http://news.yahoo.com/video/world-22186928/high-speed-chase-on-airport-runway-caught-on-tape-28482975.html>

**\*\*\*First It Was The Attendant !** ..... as an American Airlines flight moments from take-off at DFW was sent back to the gate March 9, after a flight attendant began ranting over the PA system about the plane crashing and eventually had to be restrained by passengers and flight attendants, according to two passengers on the flight. Flight 2332, scheduled to take off for Chicago at 8:25 a.m., was back at the gate by 9:15 as police escorted the flight attendant, kicking and screaming, to one of the several police cars surrounding the plane on the tarmac, passengers said. According to two passengers, the flight was taxiing toward take-off when the flight attendant came over the PA. "We are not taking off," she said, according to the passengers. "We're having technical difficulties. We are heading back to the gate." Another flight attendant came on and assured the passengers: Yes, actually, we are taking off, so buckle up. But the flight attendant up front wouldn't let up. She kept going on about technical difficulties and plane crashes, the passengers say. "Captain," she said. "I am not responsible for crashing this plane." Passengers started yelling, asking what was going on. Flight attendants hustled through the aisles, saying nothing. A passenger from Wisconsin called 911 but was ultimately disconnected. But not long after, male passengers in the back of the plane, in town for a Sam's Club company meeting,

walked to the front of the plane and helped restrain the flight attendant, who the passengers are hearing was "off her meds." The plane headed back to the gate, and the police came soon after that. "It was just unbelievable," Bethany Christakos, a Dallas woman headed to Chicago for business, told the local press from the plane, not long after it got back to the gate. "She was screaming bloody murder." American has confirmed the incident, and says two flight attendants were injured. Watch the cell phone video:

<http://dfw.cbslocal.com/video/6826807-raw-video-of-aa-flight-attendant-disruption/>

**\*\*\*Now It's The Pilot ! .....** as screaming "They're going to take us down!" a JetBlue pilot stormed through his plane rambling about a bomb and threats from Iraq on March 27, until passengers on the Las Vegas-bound flight tackled him to the ground just outside the cockpit, passengers said. The captain of JetBlue Airways Flight 191 from New York's John F. Kennedy Int'l Airport was taken to a hospital after suffering a "medical situation" on board that forced the co-pilot to take over the plane and land it in Amarillo, Texas, the airline said. Capt. Clayton Frederick Osbon, of Richmond Hill, seemed disoriented, jittery and constantly sipped water when he first marched through the cabin, then began to rant about threats linked to Iran, Iraq and Afghanistan after crew members tried to calm him down in the back, passengers said. "They're going to take us down. They're taking us down. They're going to take us down. Say the Lord's prayer. Say the Lord's prayer," the captain screamed, according to passenger Tony Antolino. The captain raced up the aisle screaming, pounded on the cockpit door and shouted, "First Iraq, then Afghanistan, now this," passengers said. The outburst came weeks after an American Airlines flight attendant was taken off a plane for rambling about 9/11 and her fears the plane would crash. An aviation expert remembered only 2 or 3 cases in 40 years where a pilot had become mentally incapacitated during a flight. The captain was tackled by several passengers after he tried to re-enter the cockpit, which had been locked by the co-pilot, the Federal Aviation Administration said in a statement. An off-duty airline captain who was a passenger on the flight entered the flight deck before landing in Amarillo and took over the duties of the ill captain. The flight landed safely. >> In 2008, an Air Canada co-pilot was forcibly removed from a Toronto-to-London flight, restrained & sedated after having a mental breakdown on a flight. A flight attendant with flying experience helped the pilot safely make an emergency landing in Ireland, and none of the 146 passengers and 9 crew members on board were injured. **Exactly where do American Airlines & Jet Blue buy those water bottles they hand out?**

**Blue Tales Blog**

<http://blog.jetblue.com/index.php/2012/03/30/flight191/>

**\*\*\*Taking A Dump Over Long Island .....**as a Malverne, Long Island couple was enjoying the mild night of Feb. 23, when they became covered by sludge as a plane taking off from Kennedy Airport flew overhead. "A plane was coming over. Next thing you know she says 'Oh my God it's raining.' I said 'No it's not'," Artie Hughes told Radio 1010 WINS' Sonia Rincon. "Some black liquid, black oil came off on her face, and I walked around and I looked and said 'Oh my God.' There was quarter-sized, nickel-sized, dime-sized drops all over my deck, my barbecue, my table," he said. Thinking something was wrong with the plane, they called police. "It was oily in substance, blackish-greenish oil. I thought it was hydraulic fluid and then the policeman came down and said 'No I don't think so. Looks like something nastier than that'," Hughes said. The officer suspected it was most likely treated sewage, returning after making several

phone calls for confirmation. "He had spoken to somebody down at either the Port Authority or the FAA and said 'Yeah, it looks like there was an incident," he said. "Some lavatory excrement had leaked out."The couple tell Rincon they just want an explanation, and for this kind of incident to not happen again. "I think they should investigate and find out what happened," Hughes said. "Was a button pushed? Was the lavatory filled to capacity before it left the ground?". >> Honey, is that a hot dog on the barbecue?

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

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

**\*\*\*International Marine Forensics Symposium in Washington D.C., April 3-5.....**as Geoffrey Gill and Christoph Wahner of the [Countryman & McDaniel](#) law firm will be presenting their technical paper immediately following [James Cameron's](#) keynote speech on April 3. Their paper, which has been accepted for publication, reviews on board as well as shore side human factors that contributed to the historic [M/V Herald of Free Enterprise](#) casualty and discusses how that loss triggered a shift in international maritime safety from reactive response to a "safety culture" oriented philosophy currently imposed through the International Safety Management Code. Maritime trial lawyer Geoff Gill will also be contributing his analysis of the [M/V Costa Concordia](#) casualty at the Symposium. His new text, **Maritime Error Management**, can be purchased here:

[www.schifferbooks.com/newschiffer/book\\_template.php?isbn=9780870336263](http://www.schifferbooks.com/newschiffer/book_template.php?isbn=9780870336263)

Geoff Gill writes on the loss of [M/V Costa Concordia](#)

[www.cargolaw.com/2012nightmare\\_costa\\_concor.html#reflections](http://www.cargolaw.com/2012nightmare_costa_concor.html#reflections)

**\*\*\*When Your Freight Dies** ..... as on March 21, Mediterranean Shipping Co. said began charging a no-show fee (also know as "dead freight") on bookings that failed to materialize on the eastbound Asia-Europe trade. The fee, US\$300 per 20-foot container booked and US\$600 per 40-foot container booked, comes the same week Maersk Line announced it would stop accepting bookings until May on the same trade, the backhaul leg of the Asia-Northern Europe lane. On March 23, MSC also said it would assess a US\$100 per container equipment imbalance fee on the same trade. The move is intended to discourage false bookings for waste shipments and due to increased volume demand in Northern Europe.

<http://legal-dictionary.thefreedictionary.com/Dead+freight>

**\*\*\*Tip 'O The Hat** ..... as the St. Lawrence Seaway opened its 54th annual shipping season on March 22, when tug/barge unit used to transport aluminum ingots, McKeil Marine's [M/V Wilf Seymour & Alouette Spirit](#), was the first vessel to transit the Welland Canal. The vessels were honored in the annual "top hat" ceremony - a tradition since 1947 where a top hat is presented to the captain of the season's first vessel.

[www.streetdirectory.com/travel\\_guide/213535/travel\\_and\\_leisure/origin\\_of\\_welland\\_canals\\_top\\_hat\\_ceremony.html](http://www.streetdirectory.com/travel_guide/213535/travel_and_leisure/origin_of_welland_canals_top_hat_ceremony.html)

<http://vancouver.24hrs.ca/video/1462942235001>

**\*\*\*Fast Is Slowed** ..... as FastShip Inc., a company that once proposed building high-speed containerships for a service that would offer a lower-cost alternative to air freight, filed for protection under Chapter 11 of the federal bankruptcy code on March 20. In a filing with the U.S. District Bankruptcy Court in Wilmington, Del., Fastship said

its 20 largest unsecured creditors are owed about US\$12M - between US\$173,052 & US\$2.4M each. FastShip once proposed building high-speed containerships for a service that would offer a lower-cost alternative to air freight between Philadelphia and Cherbourg, France with 4 semi-planing monvbohull ships powered by 5 marine gas turbines that would each drive a water jet and achieve speeds of 38 knots or 44 miles per hour. Each ship would have had 90 times the payload of a Boeing 747. FastShip sought to raise US\$2Bn between 1998 & 2008, but was unable to close on the required financing.

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

**\*\*\*Volume Rush ....** as a number of enormous containerships have recently flooded the market as ships held back at yards during the downturn are being delivered at last, adding needless capacity in an already overtonnaged world. China Shipping Container Lines has taken delivery of the 14,074-TEU [M/V CSCL Uranus](#), the 7th ship in a series of 8 "neo-overpanamaxes" ordered in August 2007, with the Far East-Europe route in mind, at the Samsung shipyard for US\$170M each. Alphaliner reported that UASC has taken delivery of the [M/V AL Ula](#) and [M/V Tayma](#), the 4th & 5th vessels in series of nine 13,100-TEU (A13 class ships), rated at 13,500-TEU by UASC. The ships were ordered at Samsung Heavy Industries in June 2008.

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

**\*\*\*Largest Container Vessel To Ever Visit North America .....** as MSC's 12,500-TEU [M/V Fabiola](#) has become the largest containership to call at a North American port, after making a stop at Long Beach on a transpacific service. The ship called at the Total Terminals International, and was accommodated with a channel depth of 76 feet (23 metres), making it one of the few ports that can handle ships of this size. The shipping line is expected to continue to add more box ships ranging in size from 11,000-12,500 TEU into its transpacific services over the course of the year. A report by Alphaliner cited port officials as saying the [M/V MSC Fabiola](#), "Is the first of what is expected to be a string of larger containerships to be deployed by ocean carriers in Pacific Rim routes." But the vessel was only 70% full when it arrived and is not scheduled to make another transpacific voyage following its maiden call, said the Paris-based consultancy.

**\*\*\*New Window On Africa ....** as according to the AFP wire service, construction has begun on a new large port near Lamu island in southeast Kenya. The US\$24.5Bn project will include a railroad and highway linking Kenya, Ethiopia & South Sudan, and a pipeline for exporting crude oil from South Sudan to a refinery in Lamu. The Daily Nation newspaper in Kenya said the project has been dubbed LAPSSET (Lamu Port-South Sudan-Ethiopia-Transport and Economic Development Corridor), and "it is expected to provide an additional transport & economic development corridor for the three countries." It said the new port will start with construction of 3 berths, but is eventually expected to have 32.

[www.savelamu.org/wp-content/uploads/2011/08/Lapsset-Executive-Summary.pdf](http://www.savelamu.org/wp-content/uploads/2011/08/Lapsset-Executive-Summary.pdf)

[www.youtube.com/watch?v=A5N25wJG4JQ](http://www.youtube.com/watch?v=A5N25wJG4JQ)

**\*\*\*A Second Liverpool .....** as plans for a new US\$475.82M container terminal at the Port of Liverpool have been announced by Peel Ports, saying it will create 5,000 jobs and bring the world's largest container ships to Merseyside. Called Liverpool 2, the Seaforth terminal is due to open in 2015 and will accommodate two vessels of up to 13,500 TEU at a time, reports BBC News. Peel Ports said the terminal, which is part of a 20-year plan to transform the Port of Liverpool, would be more efficient & better for the

environment as it would take large amounts of freight off UK road and rail networks.

[www.peelports.co.uk/](http://www.peelports.co.uk/)

[www.peel.co.uk/news/peelportsinvitesbidsforconstructionofliverpool2](http://www.peel.co.uk/news/peelportsinvitesbidsforconstructionofliverpool2)

**\*\*\*Port of Busan Is The Up & Comer .....** as it may still be the 5th busiest container port in the world at a record 16.2 million TEU for 2011, but it beat all in growth of 2011 at 14%, Shanghai's 9.2%, Singapore's 5%, Hong Kong's 3% and Shenzhen's near zero growth.

**\*\*\*Throughput >>>** Port of Barcelona was up more than 4% to over two million TEU in 2011 due to a boom in the first year of the year. >>> Delaware's **Port of Wilmington** (America's largest port for perishable cargo) handled 5,084,478 tons of cargo in 2011, a 26% increase year over year, and achieved the highest general cargo tonnage throughput since the 1995 acquisition of the port by the state. >>> **Port of Gdansk's** deepwater container terminal has increased its container handling by almost half to 635,000 TEU during 2011, a 40.5% increase year on year. >>> **Hong Kong port** handled 1.65 million TEU in Feb., an increase of 7.6% over the 1.53 million TEU in Feb. of last year. >>> **Port of Jiaxing**, next to Shanghai to the south, saw a sharp year-on-year increase of 48.1% in its container throughput to 45,100 TEU in February. >>> **Port of Long Beach** alone experienced a seasonal decline of 15.2% year on year in total container volume attributed to reduced imports from Asia after the Chinese New Year and import volume dropped 18% in Feb. year on year, and the export volume also fell 1.6% for the month. >>> **Port of Los Angeles** experienced a 7.7% decline in imports in Feb. while exports continued to boom with an increase of 9.6% year on year. >>> **Los Angeles-Long Beach port complex** has posted a 13% year-on-year decline in imports and a 5% increase growth in exports during Feb. >>> **Port of Mombasa** was the busiest port in East Africa as cargo volumes increased 5.4% last year with container throughput up 10.9% to 771,000 TEU year on year, following an 87% surge South Sudan trade. >>> **Singapore** reported a 9.2 % increase in container movement in Feb., having handled 2.35 million TEU compared to 2.15 million TEU in Feb. of last year.

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

1895 - The first submarine building contract is awarded to John P. Holland Torpedo Boat Co.

1911 - The hulk of battleship [USS Maine](#) is sunk at sea with full military honors.

1917 - Armed merchant ships are authorized to take action against U-boats.

1942 - [Patrol Wing \(VP\) 82](#) aircraft sinks German submarine, [U-656](#). It is the Navy's first submarine kill of World War II.

1945 - The island of Iwo Jima is declared secure.

1966 - [Gemini 8](#) is launched. Former naval aviator Neil Armstrong flew on this mission, which completed seven orbits in 10 hours, 41 minutes at an altitude of 161.3 nautical miles. Recovery was by [USS Leonard F. Mason](#) (DD 852).

**\*\*\*Continuing Tragedy .....** as searchers on March 22 found 3 bodies under the hull of the shipwrecked [M/V Costa Concordia](#) cruise ship that capsized off an Italian island in Jan., raising the number of bodies found so far to 28 and leaving 4 still missing. Civil Protection agency chief Franco Gabrielli did not give details on the sex or ages of the victims. He told reporters on the island that the three bodies were spotted when divers were working to set up a robot to search otherwise inaccessible parts of the wreck. The bodies were seen "in the spaces between the hull and the seabed," he said. It was not

clear when they could be removed. All of the other bodies had been found inside the ship, except for 3 found in the sea near the ship in the first hours after the accident. The remaining missing are presumed dead. Even before the latest bodies were found, eight removed in recent weeks were awaiting official identification. Weeks in the water badly decomposed the remains, and forensic authorities have used DNA sampling to try to identify them. Among those listed missing or unidentified are a crew member from India and several passengers, including an elderly U.S. couple and others from Italy & Germany.

[www.cargolaw.com/2012nightmare\\_costa\\_concor.html#reflections](http://www.cargolaw.com/2012nightmare_costa_concor.html#reflections)

[www.cargolaw.com/2012nightmare\\_costa\\_concor.html](http://www.cargolaw.com/2012nightmare_costa_concor.html)

**\*\*\*Continuing Shame** ..... as the Capt. & 2nd officer of the stricken 3,036-TEU containership [M/V Rena](#) have pleaded guilty in Tauranga District Court of New Zealand for mishandling the vessel & forging documents. Both the 44-year-old captain and 37-year-old navigation officer are Filipinos, and were charged after an investigation into the ship's collision with Astrolabe Reef off Tauranga on Oct. 5, reported London's Containerization International. Both men are on bail & await sentencing on May 25 They face a maximum of 7 years imprisonment. New Zealand environment minister, Nick Smith, said earlier that a "crude estimate" of MSC-chartered and Costamar-owned [M/V Rena](#)'s salvage cost was US\$108M, but the final cost is likely to be higher as the operation of removing the containers continues. Community leaders have asked MSC Costamare bear some of the costs involved, reported New Zealand's Bay of Plenty Times. **Follow** the continuing saga of [M/V Rena](#):

[www.cargolaw.com/2011nightmare\\_mv\\_rena.html](http://www.cargolaw.com/2011nightmare_mv_rena.html)

**\*\*\*Love, Exciting & New - Come Aboard, We're Expecting You!** .... as **The Love Boat** promises something fun for everyone! But sadly, one of the most famous cruise ships of the modern era, the former [M/V Pacific Princess](#), is heading to the scrapyard, according to Italy's La Repubblica. The news outlet says the 40-year-old vessel, recognizable to millions of Americans as the "Love Boat" of 1970s television, has been sold to a Turkish demolition company for just over 2.5 million euro -- about US\$3.3M at current exchange rates. The 19,903-ton, 600-passenger ship, tiny by today's standards, has been languishing at a dock in Genoa, Italy for more than a year. The vessel last sailed for Spanish-based Quail Cruises after changing hands a couple times since sailing for Princess Cruises from 1975 until 2002. Built in 1971 for Flagship Cruises as the [M/V Sea Venture](#), the vessel was renamed [M/V Pacific Princess](#) in 1975 after joining the Princess fleet. It gained worldwide fame over the subsequent decade as the backdrop for ABC's The Love Boat television series, which aired from 1977 to 1986. Cruise industry executives often credit the top-rated show for igniting a multi-year boom in cruise bookings. Starring Gavin MacLeod as Capt. Stubing and Fred Grandy as Gopher, the hour-long comedy depicted fictional passengers and crew involved in adventures and romances at sea. A new [M/V Pacific Princess](#) joined the Princess fleet in 2002 and continues to sail for the line. The original Pacific Princess' name was changed to [M/V Pacific](#) after she left the Princess fleet. **Re-Live The Moment ...**

[www.youtube.com/watch?v=m\\_wFEB4Oxlo](http://www.youtube.com/watch?v=m_wFEB4Oxlo)

[www.youtube.com/watch?v=icAwcByaNtY&feature=related](http://www.youtube.com/watch?v=icAwcByaNtY&feature=related)

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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 March 2012: "**Acute Rena Failure**" - the saga of [M/V Rena](#) continues.  
[www.cargolaw.com/2011nightmare\\_mv\\_rena.html](http://www.cargolaw.com/2011nightmare_mv_rena.html)

See our new "**Single**" for March 2012: "**Yet Another On The Italian Coast**" - [M/T Gelso M](#) - March 11 2012  
[www.cargolaw.com/2000nightmare\\_singles.only.html#Gelso\\_M](http://www.cargolaw.com/2000nightmare_singles.only.html#Gelso_M)

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>>>>>**

Air Cargo World Findings of 2012 Air Cargo Excellence Survey  
[www.aircargoworld.com/Air-Cargo-Excellence/2012-Finalists](http://www.aircargoworld.com/Air-Cargo-Excellence/2012-Finalists)

Amazing American Airlines From 1933  
[www.youtube.com/watch?v=RCnWLR28pfE](http://www.youtube.com/watch?v=RCnWLR28pfE)

Flying Magazine - 1930s to Present - Free on Google Books  
[http://books.google.com/books?id=8BVI6sNpT4wC&source=gbs\\_all\\_issues\\_r&cad=1&a](http://books.google.com/books?id=8BVI6sNpT4wC&source=gbs_all_issues_r&cad=1&a)

[tm\\_ay=1950#all\\_issues\\_anchor](#)

Maritime Security Association  
[www.msasure.com](http://www.msasure.com)

Temperature-Controlled Transportation Report  
<http://rwttrans.com/resources/whitepapers.asp>

The The World Container Index .....assessed by Drewry reports individual market prices on major East-West container shipping  
[www.worldcontainerindex.com/](http://www.worldcontainerindex.com/)

U.S. Federal Maritime Commission Final Rule For Freight-Index Based Service Contracts  
[www.fmc.gov/assets/1/Documents/Docket\\_11-17\\_Final\\_Rule.pdf](http://www.fmc.gov/assets/1/Documents/Docket_11-17_Final_Rule.pdf)

U.S. Regulatory Actions Under Review ..... including those with international trade & investment implications  
[www.reginfo.gov/public/](http://www.reginfo.gov/public/)

U.S. Trade Representative 2012 Trade Policy Agenda & 2011 Annual Report  
[www.ustr.gov/about-us/press-office/reports-and-publications/2012-0](http://www.ustr.gov/about-us/press-office/reports-and-publications/2012-0)

## **PRODUCTS**>>>>>>>>>

**FleetSafer Mobile**.....to ensure that employee drivers' cell phone usage is fully compatible with FMCSA regulations  
<http://zoomsafer.com/>

**Logistics Dynamics** ..... new carrier portal allows motor carrier unlimited load searching & truck position -- free to carriers  
[www.ldicarriers.com/login.aspx](http://www.ldicarriers.com/login.aspx)

**Stack Lights**  
[www.automationdirect.com/adc/Overview/Catalog/Stacklights?Penton-NED-fastrac0212-stacklights](http://www.automationdirect.com/adc/Overview/Catalog/Stacklights?Penton-NED-fastrac0212-stacklights)

## **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)

9th Annual Virginia Maritime Assoc. International Trade Symposium ..... May 3, Norfolk, VA  
[www.vamaritime.com/page/symposium](http://www.vamaritime.com/page/symposium)

10th 3PL Summit, June 18-20 in Chicago

[http://uk.eyefortransport.com/fc\\_eyefortransport/lz.aspx?p1=05054131S092&CC=&p=1&cID=0&cValue=1](http://uk.eyefortransport.com/fc_eyefortransport/lz.aspx?p1=05054131S092&CC=&p=1&cID=0&cValue=1)

25th Annual Agriculture Transportation Conference ..... 20-22 June, San Francisco

[www.agtrans.org/index.php/component/dtregister/](http://www.agtrans.org/index.php/component/dtregister/)

2012 CNS Partnership Conference ..... 6-8 May, 2012, Miami

[www.cnsc.net/events/Pages/2012-CNS-Partnership-Conference.aspx](http://www.cnsc.net/events/Pages/2012-CNS-Partnership-Conference.aspx)

2012 FIATA World Congress ..... 8-12 Oct. 2012, Hyatt Regency Hotel, Los Angeles

[www.fiata2012.org/ehome/index.php?eventid=23377&](http://www.fiata2012.org/ehome/index.php?eventid=23377&)

[www.facebook.com/pages/Transportation-Intermediaries-Association/117074095521](http://www.facebook.com/pages/Transportation-Intermediaries-Association/117074095521)

ALACAT 24th Congress ..... 13-16 May 2012, San Antonio, Texas

[www.alacat2012.org/program-agenda.asp](http://www.alacat2012.org/program-agenda.asp)

Between the Wharf and the Warehouse – What's Next? .....3 May 2012, Virginia Maritime Assoc., Norfolk

[www.vamaritime.com/page/symposium](http://www.vamaritime.com/page/symposium)

Breakbulk China 2012 .... 28 Feb. - 1 March 2012, Shanghai

[http://breakbulkevents.com/index.php?section=breakbulk\\_asia2012\\_fees](http://breakbulkevents.com/index.php?section=breakbulk_asia2012_fees)

Cief Supply Chain Officer Forum .....18-20 Junw, Chicago

<http://events.eft.com/csc/>

CNS Partnership Conference 2012 .....6-8 May 2012, Miami

<https://ems.resrunner.com/CNS12>

Cool Logistics Africa 2012 Conference ..... 24-26 April, Cape Town

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

ECA Marketplace 2012 (shippers & carriers) .....10-12 April 2012, Chicago

[www.expresscarriers.org/marketplace/index.php](http://www.expresscarriers.org/marketplace/index.php)

European Shortsea Convention 12.... 24 May 2012, Dublin, Ireland

[www.imdo.ie/IMDO/newsroom/top-news-story.htm](http://www.imdo.ie/IMDO/newsroom/top-news-story.htm)

Operation Sail - Tall Ships ..... 17 April 2012, New Orleans

[www.opsail.org/index.php](http://www.opsail.org/index.php)

TOC Container Supply Chain: Europe ..... 12-14 June 2012, Antwerp Expo Belgium

[www.tocevents-europe.com/](http://www.tocevents-europe.com/)

Transportation & Logistics Council 38th Annual Conference ..... April 23 - 25, 2012, Orlando

[www.tlcouncil.org/2012\\_online\\_registration](http://www.tlcouncil.org/2012_online_registration)

U.S. Customs 2012 West Coast Trade Symposium: "Harmonizing Trade for a Stronger

Economy" .....10 May 2012, Long Beach, CA

[www.cbp.gov/xp/cgov/trade/trade\\_outreach/2012\\_symposium/symposium12.xml](http://www.cbp.gov/xp/cgov/trade/trade_outreach/2012_symposium/symposium12.xml)

[Apps For That - iPhones>>>>>>>>>](#)

Beat The Traffic

The Journal of Commerce Mobile App

Toyota Material Handling Europe's Forklift Challenge ..... rather challenging. Free

[General Interest>>>>>>>>>](#)

### **All Hands Magazine**

[www.navy.mil/media/allhands/flash/ah201110/index.html](http://www.navy.mil/media/allhands/flash/ah201110/index.html)

C-130 Hercules on an Aircraft Carrier!!

[www.youtube.com/watch?v=CfwJJD5jGXk](http://www.youtube.com/watch?v=CfwJJD5jGXk)

Cobra Helicopter Crash ..... they walk away

[www.cinema5d.com/videolog/?p=11499](http://www.cinema5d.com/videolog/?p=11499)

FBI Anti-Terrorism Expert: TSA Is Useless

<http://boingboing.net/2012/02/29/fbi-anti-terrorism-expert-tsa.html>

Google Spots Boeing's First 787 In Retirement

[www.seattlepi.com/business/boeing/article/Google-spots-Boeing-s-first-787-in-retirement-3395187.php](http://www.seattlepi.com/business/boeing/article/Google-spots-Boeing-s-first-787-in-retirement-3395187.php)

Infographically Enhanced Observation Deck at Zurich Airport

[http://infosthetics.com/archives/2012/02/infographically\\_enhanced\\_observation\\_deck\\_at\\_zurich\\_airport.html](http://infosthetics.com/archives/2012/02/infographically_enhanced_observation_deck_at_zurich_airport.html)

Japanese Deep Ocean Exploration Ship Shown Off

[www.marinelink.com/news/exploration-japanese343305.aspx](http://www.marinelink.com/news/exploration-japanese343305.aspx)

Photos: How To Get A Boeing 737-400 In A Hangar That Is Too Small

[www.airlinereporter.com/2012/03/photos-how-to-get-a-boeing-737-400-in-a-hangar-that-is-too-small/](http://www.airlinereporter.com/2012/03/photos-how-to-get-a-boeing-737-400-in-a-hangar-that-is-too-small/)

The Texas Navy

<http://maritimeprofessional.com/Blogs/Maritime-Musings/March-2012/Texas-Navy.aspx>

Testing A Dream: An In-Depth Look At Boeing 787 Flight Test

[www.youtube.com/watch?v=BBmxFWfX1YQ&](http://www.youtube.com/watch?v=BBmxFWfX1YQ&)

US\$1B of TSA Nude Body Scanners Made Worthless By Blog — How Anyone Can Get Anything Past The Scanners?

<http://tsaoutofourpants.wordpress.com/2012/03/06/1b-of-nude-body-scanners-made-worthless-by-blog-how-anyone-can-get-anything-past-the-tsas-nude-body-scanners/>

What Makes a Video Go Viral .....suggested by our friends at [Bow Wave](http://www.youtube.com/watch?v=BpxVlwCbBK0&feature=player_embedded)  
[www.wavyline.com/bowwave.php](http://www.wavyline.com/bowwave.php)

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

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

***St. Paul Travelers Insurance Co. Ltd. v. Wallenius Wilhelmsen Logistics et al***  
U.S. Second Circuit Court of Appeals  
433 Fed. Appx. 19, 2011 WL 1901738  
Decision May 20, 2011.

The subrogating cargo insurer of a yacht damaged when a crane toppled over while the yacht was being offloaded, brought action against the ocean carrier, crane owner and operator and discharging stevedore, seeking to recover some US\$4,179,938. Defendants moved for summary judgment. The U.S. District Court for the Southern District of New York granted the motions, dismissing the claims against the crane owner-operator & stevedore and directing that judgment be entered against carrier in amount of US\$500 as the limitation amount for a single package. The cargo insurer appealed.

In a Summary Order, the Second Circuit Court of Appeals agreed with the District Court that the service contract between the ocean carrier and the shipper's freighter forwarder did not cover the yacht in question because the bill of lading for the yacht did not include or incorporate the service contract number. The service contract itself required its number to be included in any bill of lading to be applicable. The service contract also failed to specify a freight rate for this particular yacht. Additionally, the complaint relied exclusively on the bill of lading to assert jurisdiction in the Southern District of New York; although the service contract provided that all disputes were to be settled through arbitration in London.

The cargo insurer also argued that the Himalaya Clause (clause extending protections of the carrier to its servants) in the bill of lading would not cover the crane operator, but the Second Circuit Court of Appeals did not reach the argument because any action against the crane operator and the stevedore was precluded by an independent, covenant-not-to-sue clause contained in the bill of lading. The cargo insurer forfeited any challenge to the validity of such clause by failing to raise it, earlier in the trial and, more, abandoned the issue on appeal. Thus, it could not resurrect the claim in later filings for case argument.

As to the ocean carrier, the Second Circuit Court of Appeals considered "in the absence of any contrary evidence, the bill of lading's unambiguous statements that the "No. of units or packages" is "1" and that the "Total No. of containers or packages received by the Carrier" was also "1", evidenced the parties' intent that the yacht was to be treated as a single package. The decision of the District Court dismissing the claims against the crane operator and stevedore and limiting the ocean carrier's liability to US\$500 was affirmed.

This result again demonstrates the importance of your paperwork as an NVOCC or OTI.



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