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Law Offices of Countryman & McDaniel  
**THE CARGO LETTER** [500]  
Air & Ocean Logistics - Customs Broker News  
29 August 2013  
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Good Thursday Morning from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**"

**The Cargo Letter** is now perfectly designed to be enjoyed on your **iPad**. Access all our internet links directly from your device.

**Here is what happened in our industry during the Month of August 2013 ..... our 500th Edition since 1994!** Explanation? In the 1990s **The Cargo Letter** was a weekly.

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

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

Archive of **The Cargo Letter** ..... [www.cargolaw.com/cl-archives.php](http://www.cargolaw.com/cl-archives.php)

Michael S. **McDaniel**, Editor, Countryman & McDaniel, forwarder/broker & marine insurance attorneys at LAX.

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

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

**\*\*\*U.S. Exports in June Reach An All-Time High of US\$191.2Bn** ..... as this resulted in the narrowing of the trade deficit by 22% from May to US\$34.4Bn, and possibly boosting estimates for second quarter growth, according to figures from the Commerce Dept's Bureau of Economic Analysis (BEA). The previous monthly record for exports was US\$188.7Bn set in December. The United States imported US\$225.4Bn worth of goods & services in June, US\$5.8Bn less than in May. On an annual basis, the trade deficit decreased US\$8.2Bn. From May to June, the trade gap narrowed by US\$10Bn.

**\*\*\*Israel Hits Three Year Export Low** ..... as the Israel Export and Int'l Cooperation Institute (IEICI) has expressed deep concern about the drop in high-tech exports with a reported US\$3.7Bn in high-tech exports in the 1st half of 2013, 8% less than in the 1st half of 2012 - the lowest figure in 3 years. The IEICI's data indicate avionics, electronic components & pharmaceuticals, rose by 5.5% in dollar terms, to US\$10.3Bn. This growth, according to the data, was mostly due to large exporters, including Teva Pharmaceutical Industries Ltd. and Intel Israel Ltd., and deliveries of equipment by defense industries under previous contracts. High-tech exports began falling in the 4th quarter of 2011, and the slide continued through 2012, with a 3.3% drop.

**\*\*\*No Arms For Egypt** ..... as the EU Foreign Affairs Council has agreed to ban the export of arms to Egypt.

**\*\*\*NIT League Questions New China VAT** ..... as in a letter to the U.S. Dept. of State, Bruce Carlton, the President & CEO of the National Industrial Transportation League has called for assistance in obtaining clarifications from authorities in China regarding the application and scope of its value-added tax, which was expanded nationwide on Aug. 1, 2013. Carlton wrote: "While the new VAT is not supposed to be aimed at the movement of international freight, there appears to be much confusion as to its application and resulting impacts especially on freight moving between China and the U.S. According to PRC sources, the VAT of 6% is applicable to customers for all charges related to domestic shipping, logistics and freight forwarding and related services in China. We believe it is not specifically applicable to int'l ocean freight. Nevertheless we have monitored reports that some ocean carriers and NVOCCs are simply passing on the tax to their customers in the form of surcharges or service charges even when the freight charges have been 'pre-paid'," he explained. "In general there appears to be widespread confusion over the application of the new VAT enacted by China, as well as its implementation by service providers. This is clearly generating considerable market uncertainty for shippers not only in the region but here in the U.S. as well." His letter concludes: "We would respectfully request your help in obtaining clarification from China to help end this confusion and bring greater certainty to the application of the VAT on international ocean transportation."

**Read More About China VAT Reform**

[www.china-briefing.com/news/2013/04/11/china-to-expand-vat-reform-nationwide-starting-august-1-2013.html](http://www.china-briefing.com/news/2013/04/11/china-to-expand-vat-reform-nationwide-starting-august-1-2013.html)

**\*\*\*Sweet Feat** ..... as Mexico will ship more than 700,000 tons of sugar to world markets outside of the United States in the 2012/13 crop year as the country becomes a global supplier for the first time in at least a decade, according to the chief of a trade association representing cane mill owners. The vast majority of Mexico's sugar exports feed the U.S. market, but pressure has grown on the country to find alternatives, as U.S. prices have come under pressure from the North American surplus.

**\*\*\*Peasants Starve As Skis Are Waxed For Party Members** ..... as the Swiss government is blocking the sale of a ski lift to North Korea, which, it says, would be used "for the ruling elite," and so breaking sanctions. North Korea is reported to have approached several companies, among them Barholet Maschinenbau AG, to provide chair lifts & cable cars worth 7 million Swiss Francs for a planned ski resort at Masikryeong. UN Security Resolution 1718 (2006) prohibits UN member states from supplying luxury goods to North Korea. The phrase is not defined, but the assumption is it applies to Rolex watches and Cartier jewellery. However, on 4 July 2013, the Federal Council decided to amend the list to include "infrastructure installation and equipment for sport installations of a luxury character (for example ski resorts)".

**Read More About North Korea's Planned Masik Ski Resort**

[www.bbc.co.uk/news/world-asia-23756462](http://www.bbc.co.uk/news/world-asia-23756462)  
[www.cnn.com/2013/05/27/travel/north-korea-ski-resort](http://www.cnn.com/2013/05/27/travel/north-korea-ski-resort)

**\*\*\*Curbing Dangerous Light** ..... as the Food and Drug Administration (FDA) is concerned about the increased availability in stores and on the Internet of certain types of laser products—some of which are being sold illegally because they are powered above 5 milliwatts (mW), which is a standard for certain types of lasers and laser projectors. Green lasers are particularly troubling to FDA, says CDR Dan Hewett, U.S. Public Health Service, a health promotion officer in the Electronic Products Branch of FDA's Center for Devices and Radiological Health. "A green laser beam could cause a larger startling or flash-blinding effect

compared to a similarly powered red laser because the human eye is especially sensitive to green light," says Hewett. Flash blindness is a temporary loss of vision that occurs when the eye is suddenly exposed to intense light. Laser lights beamed at aircraft also have FDA concerned. Incidents associated with laser lights beamed at aircraft have tripled in a 4-year period since Dec. 2004, when the Federal Aviation Administration began tracking reports. In 2008, pilots reported a total of 950 cases of laser light striking an aircraft or illuminating a cockpit. FDA regulates radiation-emitting electronic products, including all types of lasers. Illegal laser products that are imported are also subject to detention & seizure by U.S. Customs & Border Protection.

### **Study The FDA Table of Laser Hazards & Product Examples**

[www.fda.gov/ForConsumers/ConsumerUpdates/ucm166649.htm#LaserHazardClasses2](http://www.fda.gov/ForConsumers/ConsumerUpdates/ucm166649.htm#LaserHazardClasses2)

**\*\*\*University of San Francisco Says UPS Logistics A Masterpiece of Streamlined Supply Chain Management** .....as the university found there's much to admire about UPS. Nicknamed "Brown" for the trademark color of its delivery trucks, the Atlanta, Georgia-based multinational corporation often ranks high on lists of the most valuable brands and most admired companies. For 104 years, United Parcel Service has been seeking ways to get things from here to there as quickly, efficiently & economically as possible. In 2012, the company delivered more than 4 billion packages and documents to nearly 9 million daily customers in more than 220 countries and territories. That entailed a fleet of more than 96,000 cars, vans, tractors and motorcycles, as well as 230 jets, according to UPS. UPS has, in fact, become a 3rd-party provider of direct-to-store networks with its UPS Trade Direct service, offering companies a range of shipping management and fulfillment options. Such services can streamline logistics, eliminating the need for companies to build or lease warehouses & distribution centers. They also can reduce the number of parties involved in a supply chain, decreasing the potential for system failures or slowdowns at the various links in the chain. In a white paper titled "**Inventory in Motion**," UPS highlighted its direct-to-store work for the Idea Group in speeding delivery of promotional products from manufacturers in China to multiple customers in the United States. UPS said it helped trim delivery time by up to 20% by streamlining shipping and customs requirements, and eliminating the need to stock inventory in Idea Group's warehouse in California.

### **Read The University of San Francisco Study**

[www.supplychain247.com/article/ups-logistics-a-masterpiece-of-streamlined-supply-chain-management-gt-nexus](http://www.supplychain247.com/article/ups-logistics-a-masterpiece-of-streamlined-supply-chain-management-gt-nexus)

[www.usanfranonline.com/ups-streamline-logistics/](http://www.usanfranonline.com/ups-streamline-logistics/)

Read The UPS White Paper: **Inventory In Motion** - A Direct Alternative To Global Fulfillment

[www.ups.com/media/en/wp\\_inventory\\_in\\_motion.pdf](http://www.ups.com/media/en/wp_inventory_in_motion.pdf)

**\*\*\*Insurance Fraud A Global Problem** ..... as insurers increase their focus on claims fraud, costing the U.S. insurance property & casualty (p&c) industry as much as in the US\$30Bn annually, according to the Insurance Information Institute, it is perhaps easy to forget that fraud is a global problem. Fraud is thought to be in the range of US\$10Bn to US\$15Bn for the European p&c insurance industry, and the Insurance Council of Australia reports that 10% to 15% of p&c claims reported in that country have fraud indicators. Of course, we often think of fraud as being an issue of whether an event is covered by the policy or not, but a significant amount of fraud emerges through excessive claims.

**\*\*\*\*"Moving Ahead For Progress in the 21st Century" (MAP-21)** .....as this federal transportation bill signed into law on 6 July 2013 will take effect this 1 Oct. While most of the measure focuses on federal surface transportation spending, a key provision redefines domestic law. A motor carrier may no longer obtain FMCSA authority as both a motor carrier and a freight broker or domestic freight forwarder. Specifically, such operations must be completely separate, meaning any motor carrier involved in freight brokering (either formally or informally) must now separate those operations and seek separate FMCSA authority for each entity. Informal brokering is no longer permitted to be done by a motor carrier. MAP-21 also states that any freight broker or forwarder must now obtain a US\$75,000 bond. The previous limit of US\$10,000 was required of brokers, not forwarders. There must be full compliance by 1 Oct. 2013, so contact the Countrytman & McDaniel attorneys now for assistance.

### **Summary of MAP-21**

[www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore\\_id=6d1e2690-6bc7-4e13-9169-0e7bc2ca0098](http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=6d1e2690-6bc7-4e13-9169-0e7bc2ca0098)

**\*\*\*Cargo Theft Down, But Value Up** .....as in the 2nd quarter of 2013, the logistics security services provider FreightWatch International recorded a total of 194 thefts in the United States, a 27% increase in value and a 12% decrease in volume from the same time a year ago. That compares to a 4% increase in value and a 15% decrease in volume compared to the 1st quarter of this year. There were 45 thefts in April, 66 in May and 83 in June. The average loss value per incident during the quarter was US\$164,594. California claimed the top spot with 57 thefts, or 29% of the total. Texas' 32 thefts put the state in 2nd place, with 17% of all incidents. Illinois ended the quarter in third place, edging out Florida with 21 thefts, or 11% of the total. Florida, typically in the top three states, was in 4th place with 20 thefts, or 10% of total. Together, the top six states recorded 156 cargo thefts, or 80% of the total recorded thefts for the entire country. While the average loss value across all incidents was US\$164,594 for the 2nd quarter of this year, the average losses in specific product types varied widely. In this quarter, the alcohol category had the highest loss value, at US\$571,329, due to several high-end spirit thefts. The tobacco product type logged the 2nd highest average value, at US\$365,000. Clothing/shoes, while not seeing an especially high volume of thefts, did have a high average loss value of US\$322,500. Electronics thefts, averaging US\$238,462, stepped up in value following the 1st quarter average of US\$199,078.

**Learn More About FreightWatch**

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

**\*\*\*U.S. Intermodal Healthy** ..... as domestic container volume continued its steady performance in the 2nd quarter of 2013 with 9% year-over-year gains, largely attributable to a strong big box segment, with total intermodal traffic rising by 2.4% for the quarter. International volume was unable to build on its solid Q1 growth, falling 1.3% in Q2 after posting 3% gains in Q1. This decline can be attributed to surprisingly weak shipments in June, with loads falling 6% from a year ago. It is unclear if the June trail off is an indicator of more to come, or if the 6% dip is an anomaly. Intermodal trailer volumes declined 2.5% when compared to 2012's Q2, but this loss was less than half of the decrease in loads experienced in Q1. "Domestic container volume was the foundation of intermodal growth in both the 2nd quarter and year to date," said Joni Casey, President & CEO of Intermodal Assn. of North America. "Despite some segments slowing in Q2, the Market Trends and Statistics data confirm the industry's underlying momentum." The Southeast region was the clear leader in the 2nd quarter of 2013, according to IANA's Market Trends data, with intermodal increasing 8.1% compared to 2012. Intra-southeast shipments bested the national average, posting an impressive 11.1% in Q2. Regional traffic in the Southeast United States grew 8.1%, compared to Q2 2012, with domestic container volume leading the way up 12.4%, surpassing the industry average of 9% growth. Southeast international intermodal also bested industry statistics with a 6.7% gain compared to a 1.3% drop nationwide.

**Read More About The Intermodal Assn. of North America: IANA**

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

**\*\*\*Federal Motor Carrier Safety Administration (FMCSA) Final Rule For Unified Registration System** ..... improves the registration process for motor carriers, property brokers, freight forwarders, IEPs, HMSP applicants and cargo tank facilities required to register with FMCSA.

**Read The FMCSA Final Rule**

[www.gpo.gov/fdsys/pkg/FR-2013-08-23/pdf/2013-20446.pdf](http://www.gpo.gov/fdsys/pkg/FR-2013-08-23/pdf/2013-20446.pdf)

**\*\*\*Glimpse of Industry Trend?** ..... as UPS has told employees it plans to halt health-care coverage for about 15,000 spouses of nonunion workers who are covered by other plans. The plans were outlined in a 19-page question-and-answer document posted on the Internet by news outlets last week. A company spokesman told Transport Topics the move, which affects only a limited number of employees, was made in response to rising health-care costs. If a nonunion employee's spouse doesn't have coverage, UPS' memo said the company will keep providing it. The move doesn't affect about 60% of UPS employees who are Teamsters. They are covered under health plans negotiated through labor agreements. Earlier this year, union members approved a new master contract, but talks continue on side agreements.

**\*\*\*Federal Somelier?** ..... as allowing the U.S. Postal Service to deliver beer, wine and spirits is high on the wish list for raising cash for the financially ailing agency, Postmaster General Patrick Donahoe said this month. In an interview with The Associated Press, Donahoe also endorsed ending most door-to-door and

Saturday mail deliveries as cost-saving measures for his agency, **which lost US\$16Bn last year**. Donahoe said delivering alcohol has the potential to raise as much as US\$50M a year. He mentioned how customers might want to, for example, mail bottles of wine home when they tour vineyards. Donahoe said his agency has looked at the possibility of using special boxes that would hold 2, 4 or 6 bottles and ship for a flat-rate to anywhere in the country. "There's a lot of money to be made in beer, wine and spirits," Donahoe said. "We'd like to be in that business. The Postal Service says mailing alcoholic beverages is currently restricted by law. Customers are even told to cover any logos or labels if they use alcoholic beverage boxes for shipments. Perhaps the wine will be aged by the time it arrives.

**\*\*\*Dangerous Transport Volunteer** ..... as Darius McCollum can explain the complicated workings of the New York City transit system with the precision of a veteran conductor. He knows every subway stop, every line, every train. It's an obsession that has dominated his life. But instead of becoming a transit worker, he's become a transit impostor. Twenty-nine times, beginning when he was a teenager, he's been arrested for crimes that include piloting a subway train, stealing a bus and donning uniforms to pose as a conductor and even track worker. "I've always loved trains, ever since I can remember. I had the whole subway map memorized by the time I was 8." said the 49-year-old McCollum, who has spent nearly a third of his life behind bars. He's been at Rikers Island jail since his 2010 arrest for his latest escapade - stealing a Trailways bus. He was arrested behind the wheel on the highway that leads to Kennedy Int'l Airport. The case, for him, is typical. But he hopes the outcome this time will be different. Attorney Sally Butler says McCollum's actions are the result of uncontrolled impulses, a byproduct of what was until recently called Asperger's syndrome, but is now considered an autism spectrum disorder. She says the district attorney's office agrees, and they have worked on a solution: McCollum pleaded guilty to stealing the bus, and instead of being sentenced Aug. 15 to 15 years as a habitual offender; he received 2 1/2 to 5 years and will voluntarily undergo cognitive behavioral therapy. His arrests sound vaguely like tall tales where he plays the well-meaning folk hero. In his most recent case, he says he was hired by Trailways to pick up a crew of flight attendants because the driver didn't show up for work, a version prosecutors dispute. When he was arrested, he was alone (except for the voices).

**\*\*\*Esteemed Transport Volunteer** ..... as Norwegian Prime Minister Jens Stoltenberg dressed up as a taxi driver and took passengers around Oslo in an unusual election campaign stunt. A video that his Labor Party posted on social media Aug. 10 shows the candid camera-like moments when the passengers realize the man behind the wheel is Stoltenberg. The prime minister says the point was to find out "what people really think. And if there's one place where people really say what they think about most things it's in the taxi." Labor Party spokeswoman Pia Gulbrandsen said an advertising firm helped set up the stunt. She said most of the passengers hailed Stoltenberg's cab while others "were told that they would be picked up" but not by whom. Norway's parliamentary election is set for Sept. 9.

**\*\*\*Save The Catskill Mountain Railroad** ..... as after 30 years of operation, the historic steam railway is in danger and needs your help. The Catskill Mountain Railroad Scenic Train is a 5 mile round trip between Mt. Tremper and Boiceville — a wonderful 45-minute railroad excursion.

**Read What You Can Do To Help The CMRR Volunteers**

[www.catskillmtrailroad.com/legaldefense.php](http://www.catskillmtrailroad.com/legaldefense.php)

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

**\*\*AP Moller Maersk group.** **DOWN** as owner of the world's biggest container shipping line, has posted an 11% decline in 2nd quarter profit to US\$856M, drawn on revenues of US\$14.1Bn, down 8%.

**\*\*CEVA.** **DOWN** with a 2.5% year-on-year pre-tax profit decline in the 2nd quarter to US\$80M, drawn on revenues of US\$2.14Bn, down 6.6%.

**\*\*Damco.** **DOWN** as Maersk's stand-alone forwarding division posted a 1st half year-on-year net loss of US\$2M, having raised US\$1.5Bn in revenue from Jan. to June.

**\*\*Hanjin Shipping.** **DOWN** as the world 7th biggest container carrier has posted a 1st half net loss of loss of US\$103.6M, a reduction of 66% from 2012.

**\*\*Horizon Lines.** **DOWN** as the U.S. carrier narrowed the 2nd quarter net loss 33.5% to US\$9M year on year as revenue declined 4.1% to \$259.8M.

**\*\*Lufthansa Cargo.** **UP** as 1st half operating profit increased 27% compared to the same period last year



to US\$81.3M.

**\*\*Matson Inc.** UP as the U.S. carrier posted a 9.9% year-on-year 2nd quarter operating profit increase to US\$34.3M, drawn on consolidated revenues of US\$310M, up 3.5%.

**\*\*Neptune Orient Lines (NOL).** **DOWN** as the owner of APL container line narrowed its 1st half operating loss to US\$120M, a 45% year-on-year improvement, based on revenues of US\$4.4Bn, which fell 6%.

**\*\*Orient Overseas (Int'l) Ltd (OOIL).** **DOWN** with a 1st half net loss of US\$15.3M drawn from revenues of US\$3.02Bn, against a US\$116.5M profit in the same period last year.

**\*\*Regional Container Lines.** **DOWN** with a 2nd quarter net loss of THB132 million (US\$4.2M) compared with a year-on-year net profit of THB5 million.

**\*\*STX Pan Ocean.** UP as the dry bulk operator currently under court protection, has reported 2nd-quarter net losses down 71% to US\$24.7M.

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

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

**\*\*\*Blocking The Next World's Biggest Carrier? .....** as antitrust regulators have filed a law suit to block the US\$11Bn merger of US Airways and American Airlines, throwing a wrench into a deal shareholders, creditors and European officials have already signed off on. The U.S. Dept. of Justice (DOJ) and attorneys general from 6 states and the District of Columbia say the merger, which would create the world's largest airline by passenger volume, would curb competition in key U.S. hubs. Objecting states are Texas, where American Airlines is headquartered, and Arizona, where US Airways is based, as well as Florida, Pennsylvania, Tennessee & Virginia. The airlines said they would defend the merger and have requested an early trial this November.

**\*\*\*More Price Fixing .....** as Chile's LATAM Airlines must pay a fine of US\$938,000 to Canada for its part in air cargo price-fixing cartel involving 9 other airlines that operated from 2003 to 2006. Fines levied against the airlines total C\$25 million, which include Hong Kong's Cathay Pacific, Air France-KLM, Cargolux, British Airways, Martinair, Qantas and Korean.

**\*\*\*Meet The Airbus A350 .....** as it has made its first "virtual passenger flight," with 129 passengers and a cabin crew supplied by Cathay Pacific taking part in a four hour dry run on July 25 in an A350 mock-up dubbed "Cabin Zero." The make-believe flight is another milestone in the road towards the A350's debut into commercial service in mid-2014, and follows the next-gen jetliner's first actual flight on June 14th.

#### **See The Impressive Presentation**

[www.a350xwb.com/](http://www.a350xwb.com/)

**\*\*\*Extinguishing Nairobi .....** as a huge fire ravaged the main int'l airport in the Kenyan capital, Nairobi, on Aug. 7. Jomo Kenyatta Int'l Airport (JKIA) - a key regional hub - has been closed, passengers evacuated and incoming flights diverted. The fire is now said to have been contained but there have been reports it took emergency services a long time to respond. Images from the scene showed flames leaping from one of the main buildings. There have been no reports of any casualties and the cause of the fire is not clear.

[http://en.wikipedia.org/wiki/Jomo\\_Kenyatta\\_International\\_Airport](http://en.wikipedia.org/wiki/Jomo_Kenyatta_International_Airport)

**\*\*\*Air Cargo Malawi Limited Lives .....** as it is set up now as a wholly owned subsidiary of the now defunct Air Malawis, has told customers its operational status to the UK is fully functional. Air Cargo (UK) Malawi country manager Steve Msamala, the first Malawian to head UK offices in London Heathrow, said the passenger services of Air Malawi have ended but cargo operations are going strong.

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

**\*\*\*Teamsters Back Off .....** as it dropped a bid to push aside another union and represent about 11,000 aircraft mechanics and other workers at American Airlines. The Teamsters said Aug. 9 they were pulling out because of the government lawsuit last week to block the merger of American Airlines & US Airways. The union said that the lawsuit had thrown American employees in turmoil, and a representation fight between two unions wouldn't help matters. The Teamsters had hoped to represent ground workers after American & US Airways merged, but lost on both fronts.

\*\*\* **Airbus' Nex-Gen Transport Plane**..... as a collaboration of European nations have spent more than a decade developing a heavy transport plane fit for the 21st century, the Airbus A400M Atlas. The A400M Atlas is a 4-engine turboprop transport aircraft designed by Airbus as a tactical airlift platform. It measures 148 feet long and 48 feet tall with a 139-foot wingspan, putting it squarely between the C-130 and the C-17 in terms of size and speed (but still way smaller than the Antonov An-225). A quartet of 11,000 HP Europrop TP400-D6 turboprop engines and four 8-bladed 17 foot-diameter "scimitar" props grant the plane a 485 MPH cruising speed, a service ceiling of more than 37,000 feet and a range of 1,781 to 3,450 nmi, depending on the load. That's over 100 MPH faster and 1,000 miles farther than the C-130 Hercules. Plus, the Atlas' beefy power plant, combined with its reinforced landing gear and lightweight carbon fibre reinforced plastic wings and rotors, allows it to take off from short, unpaved runways in as little as 3,215 feet (980 meters). A breakthrough design feature, the A400M's propellers are designed to turn in opposite directions. This not only reduces maintenance and replacement costs (most turbo prop planes have left- or right-handed engines depending on which wing they go on; this uses a gearbox to only turn the blades backwards so the engines themselves become universal), it also produces superior lift, reduces torque, prop wash, and yaw compared to the older designs where both engines on each wing turned the same direction. At 81,600 pounds (116 troops or 66 stretchers with 25 attending medics) at 58 feet long, 13 feet wide, and 12 feet tall, it holds roughly double what the Hercules can. In addition, the Atlas is outfitted with aerial refueling equipment, allowing it to be used as a flying gas station, and can also be equipped with a variety of electronic surveillance & countermeasures for ISR operations. This said, the Boeing C-17 will remain the top fleet carrier.

#### **Airbus A400M Atlas**

[http://en.wikipedia.org/wiki/Airbus\\_A400M\\_Atlas](http://en.wikipedia.org/wiki/Airbus_A400M_Atlas)

Airbus A400M Atlas Amazing Takeoff Ability. Feb. 2013

[www.youtube.com/watch?v=GjC\\_nlK8ySA](http://www.youtube.com/watch?v=GjC_nlK8ySA)

\*\*\* **Meet The va-Q-tec** ..... as built in UK, these containers use passive technology (no batteries, heating elements or fans) via vacuum insulation panels that protect internal contents from extreme ambient temperatures. The containers are particularly useful in the movement of pharmaceutical and biotechnological material. There are 3 sizes of va-Q-tainers: USx, EU and XL. All three sizes may be transported to and from all regions worldwide. In terms of transit effectiveness XL and EU containers have been qualified to keep perishables for more than 96 hours of performance; the USx has been qualified to more than 120 hours of performance, even at extreme summer and winter temperatures. Internal/external temperature data and shipment monitoring data may be downloaded after transport from the "data-loggers" installed on each unit.

#### **Read More About The va-Q-tec**

[www.va-q-tec.com/](http://www.va-q-tec.com/)

\*\*\* **Volumes >>>** Air Canada has suffered a cargo traffic decline of 0.8% to 130.5 million ton-kilometers in June compared to the same month 2012. >>> **Air China's** latest statistics show that the carrier's cargo transportation volume slipped 3.6% to 117,600 tons. >>> **Cathay Pacific Airways**, together with **Dragonair**, posted a 1.9% decline in year-on-year July air cargo volume to 122,920 tons while year to date, tonnage fell 1.8%. >>> **Hong Kong Int'l Airport** (HKIA) posted a 1.9% year-on-year increase in cargo throughput to 341,000 tons in July 2013, according to airport authorities. >>> Germany's **Leipzig/Halle Airport** has posted 3.7% year-on-year first half increase in air freight volume to 513,275 tons, marking a 9th straight year of continued growth, which continued into July with a 3.4% boost.

**The New Air New Zealand Safety Video** ..... as romance with subtitles is the next offering in the trend in turning the madatory warnings into entertainment.

[www.youtube.com/watch?v=DdQYdCuF7HQ#t=75](http://www.youtube.com/watch?v=DdQYdCuF7HQ#t=75)

Air New Zealand "Bare" Saftey Warning

[www.youtube.com/watch?v=7-Mq9HAE62Y](http://www.youtube.com/watch?v=7-Mq9HAE62Y)

Air New Zealand Animated Saftey

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

Air New Zealand Middle Earth Saftey Briefing

[www.youtube.com/watch?v=cBIRbrB\\_Gnc](http://www.youtube.com/watch?v=cBIRbrB_Gnc)

**\*\*\*Mobile Parmesan In The Air** ..... as a restaurant says it has switched vendors after a customer found a cluster of maggots on his sandwich at Atlanta's airport. Weekly traveler Joel Woloshuk told WSB-TV last week that he bought a sandwich from Café Intermezzo and realized the white specks on top of it were maggots - not parmesan - when they began moving. In a statement to WSB-TV, Café Intermezzo's president said the case was isolated and the problem could not have originated at the restaurant. He says the restaurant switched bread vendors and "not a single crumb" from the original bakery remains. Atlanta Dept. of Aviation officials say they're distributing ultraviolet lights to Hartsfield-Jackson Int'l Airport restaurants so they can better inspect food shipments. The Clayton County Board of Health found no citable violation at the franchise location when they inspected, based on the complaint.

**See The Sandwich & " Mobile Parmesan"**

<http://bit.ly/1895s6l>

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

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

**\*\*\*Leaning The Fleet** ..... as container shipping is "hobbling forward" as ship scrapping is at a "healthy level" of 258,000 TEU with a further 200,000 TEU to leave the fleet by year-end to counterbalance new vessels coming online at over 1.4 million TEU, said a recent report from BIMCO. The report from the international shipping association of owners, operators, brokers and agents, said that demand on the intra-Asia and transpacific trade routes and Europe-to-Asia backhaul offset any decline in demand on the Asia-to-Europe front-haul leg.

**What is BIMCO?**

[www.bimco.org/en/About/About\\_BIMCO.aspx](http://www.bimco.org/en/About/About_BIMCO.aspx)

**\*\*\*Canal Open In Egypt's State of Emergency** ..... as it has not affected the Suez Canal, though local truck access to the APM Terminals at Port Said has been cut by the closure of a bridge, but having little impact as most moves are transshipments, reported the BBC. APM Terminals, which operates the Suez Canal Container Terminal in Port Said, said operations have "not been affected, and our employees remain dedicated, delivering stable and efficient service." On Aug. 9, the Suez Canal Authority said 68 ships crossed the canal with a total load of 4.8 million tons. According to an Associated Press report, Mohab Mamish, the chairman of the authority, said that's the most ever to pass through the canal in a single day since it opened in 1869.

**\*\*\*Union Slowdown?** ..... as many expect a work showdown next month over who has the right to repair chassis used to move containers to and from U.S. marine terminals. The Int'l Longshoremen's Assn. (ILA) and the management group that bargains with them, the United States Maritime Alliance (USMX), sent a joint letter dated 6 Aug. to members saying "there has been an influx of leasing company chassis that are directly leased to truckers who do not use the ILA to perform maintenance and repair of these chassis requesting service at USMX Master Contract covered facilities." The letter, signed by ILA Pres. Harold Daggett, and David Adam, the chairman & CEO of USMX, says chassis leased to truckers but not maintained by the ILA, violate a work-preservation commitment contained in the ILA/USMX master contract because "these chassis had in the past been maintained and repaired historically at facilities in port areas that employ ILA-represented maintenance workers." A provision in the contract says "no container chassis shall be received, delivered, mounted on or dismounted from a chassis pool chassis that has been repaired & maintained in the port area by employees who are not represented by the ILA." In another letter, also signed by Daggett and Adam, says the ILA — not, for example a ship's crew — has jurisdiction over the plugging & unplugging of containers aboard ships calling at master contract ports provided that the bargaining parties can agree on the manning and agreed hours for the ILA labor.

**ILA and USMX Clarify Union's Preservation of ILA Chassis Work**

[www.ilaunion.org/pdf/ILACHassisLetter.pdf](http://www.ilaunion.org/pdf/ILACHassisLetter.pdf)

**\*\*\*Digging Deep To Serve The Big Ditch** ..... as industry and Louisiana transportation officials have released a new economic impact report detailing the benefits of deepening the Mississippi River to 50 feet from its current 45-foot draft. The Big River Coalition and the Louisiana Department of Transportation and



Development commissioned the study by noted economist Tim Ryan, PhD., entitled "The Economic Impact of Deepening the Mississippi River to 50 Feet." Ryan determined a deeper channel allowing for larger vessels to maximize cargo throughput would create US\$11.49Bn in increased U.S. production, generate 16,991 new permanent jobs and account for US\$849.5M in increased income for American workers. The Lower Mississippi River channel was originally authorized to be deepened to 55 feet in the Water Resources Development Act (WRDA) of 1986; however, the channel was never deepened below 45 feet due to the onerous requirement by the federal government that annual maintenance beyond 45 feet is the responsibility of the local sponsor, or the State of Louisiana in this case. Recent language passed by the Senate in the latest WRDA bill would shift maintenance costs up to 50-foot drafts to the federal level. Industry leaders and the Big River Coalition agreed upon a reduced draft from 55 feet to 50 feet to match the controlling draft of the new locks on the Panama Canal, expected to be completed in 2015. If the Mississippi River is not deepened to match the controlling draft of the new Panama Canal locks, U.S. exporters become less competitive in the world market and consumers pay more for goods and services

**Read The Landmark Study (complete with tables & charts)**

[http://media.nola.com/business\\_impact/other/Mississippi%20River%20deepening%20economic%20study.pdf](http://media.nola.com/business_impact/other/Mississippi%20River%20deepening%20economic%20study.pdf)

**\*\*\*Northwest Passage** ..... as Chinese cargo ship is attempting to sail to Europe via an Arctic "short-cut" that could shave almost two weeks off the journey time. Shipping firm Cosco Group's vessel [M/V Yong Sheng](#), a 19,000-ton freighter, set sail from Dalian, China, on Aug. 6 bound for Rotterdam, in a bid to complete the country's first ever commercial transit of the Northeast Passage over Russia. The northerly journey via the Bering Strait, which the changing climate is making possible for longer periods thanks to melting sea ice, is expected to take 35 days - compared with the 48 days it takes to complete the traditional route through the Suez Canal and the Mediterranean Sea. The entire Northeast Passage - also known as the Northern Sea Route - along the Russian coast lies in Arctic waters, and parts are free from ice for only two months of the year. But climate change means Arctic lanes are opening up for longer stints due to melting sea ice. It means icebreakers are no longer required under Russian rules for all Arctic route journeys, according to a report in the Financial Times. If it becomes easier to use the quicker Northeast Passage it could dramatically reduce shipping costs. There has been a boom in the number of vessels intent on sailing all or part of the passage. Russian authorities have granted 372 permits to ships this year - more than eight times the 46 full transits made in 2012. There were just four in 2010. Valentin Davydants, captain of Russia's Atomflot fleet of nuclear-powered icebreakers, estimates that 15 million tons of cargo will use the full route by 2021. That compares to the 929 million tons of cargo transported via the Suez Canal in 2011. The Arctic route is seen as a potential for oil & gas moves, not containerized cargo. The traditional route that links China to the EU threads its way through the South China Sea, the Strait of Malacca and the Indian Ocean. The [M/V Yong Sheng](#) will take the 5,400k route via Northeast Passage, which offers a relatively straight course over Russia. She is expected to reach Rotterdam on Sept. 11 - a journey of just 35 days.

**Map of The M/V Yong Sheng Voyage**

[http://i.dailymail.co.uk/i/pix/2013/08/12/article-2389895-1B423BD3000005DC-665\\_964x577.jpg](http://i.dailymail.co.uk/i/pix/2013/08/12/article-2389895-1B423BD3000005DC-665_964x577.jpg)

**\*\*\*Northwest Passage Not For All** ..... as the Russian government has reportedly denied permission for the Greenpeace icebreaker [M/V Arctic Sunrise](#) to enter the increasingly busy Northern Sea Route (NSR), despite the ship having fulfilled all the requirements for such an entry. Greenpeace International believes the decision is an attempt to prevent it from exposing the activities of Russian state-owned oil company Rosneft. Greenpeace International said it entered three detailed applications for entry to the Northern Sea Route Administration, clearly stating its intentions to engage in peaceful and lawful protest, and all applications were rejected. The latest application was refused on the grounds that the information provided on the ice strengthening was apparently insufficient. From the pattern of refusals it is clear that the NSR administration has never been interested in granting Greenpeace access, Greenpeace said. Greenpeace alleges the refusal is in violation of int'l law including the right to freedom of navigation.

**\*\*\*Berthing Giants** ..... as terminal operators face big challenges as they deal with incoming 18,000 TEU mega ships, which few can handle, cope with the cascading big ships on smaller ports as well as the sheer explosion of output worldwide, says a Drewry report. The size of the world's biggest containership has quadrupled in 20 years, said the Drewry's report, and on the Asia-Europe route, it has doubled in 10 years, spawning huge alliances like the P3, the union of Maersk, MSC and CMA CGM. Container port demand is

expected to rise 5% a year by 2017, or 186 million TEU - equivalent to the total throughput of all Chinese ports in 2012, said the report. If they only perform at the world average, Shanghai or Singapore alone will add almost 10 million TEU to their total throughput by 2017. A figure of 10 million TEU is more than the entire container port throughput of the UK, India or Brazil.

**Learn More About Drewry Shipping Consultants Ltd**

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

**\*\*\*Long Beach Back In The Lead** .....as July figures show the [RMS Queen Mary's](#) home port continues to close the gap on the Port of Los Angeles. Container throughput at Los Angeles fell 1.48% to 715,640 TEU in July. The port found a silver lining in that July was "the busiest cargo month of 2013", but LAs throughput in the year to July is now down 6.54%. Long Beach by contrast was up 7.6% in July "with both imports and exports showing solid increases" the port reported. Total volume was 562,166 TEU, with imports up 12.9% to 294,926 TEU and exports rising 6.2% to 132,290 TEU. "For the first 7 months of 2013, 13.2% more cargo has moved through Long Beach compared to the same period in 2012, including 15.7% more imports, 9.5% more exports and 12% more empties." These increases are in part due to the larger ships calling at the Port more frequently and the addition of service lines starting in the last part of 2012. Large as they are, Long Beach & Los Angeles are directly adjacent to one another and only a local can discern the borderline.

**\*\*\*Felixstowe Hits A Milestone** ..... as the UK's biggest container port on 21 August handled the 70 millionth TEU since container operations began there in the mid-1960s The landmark container was loaded aboard the 13,800 TEU capacity [M/V MSC Bettina](#) by the Rt Hon Patrick McLoughlin, MP, UK Secretary of State for Transport, operating a crane under the guidance of one of the port's crane driving instructors. The event comes shortly after the opening of the port's new North Rail Terminal, co-financed by the European Union Trans-European Transport Network, which will double rail capacity at the port. Felixstowe says it handled a record 3.7M TEU in 2012, over 40% of all containers moved through UK ports.

**\*\*\*Voyage of The Gatekeepers** ..... as in a major milestone for the Panama Canal Expansion Program, the first 4 gates for the new locks have arrived from the port of Trieste, Italy to the waterway's Atlantic side on board the semi-submersible vessel [M/V STX Sun Rise](#). Built by subcontractor Cimolai SpA, the first four gates are 57.6 m long, 10 m wide and 30.19 m high, and weigh an average of 3,100 tons. They will be installed in the middle chamber of the new locks in the Atlantic side. The steel gates will be transported to their final position using the same self-propelled motorized wheel transporters (SPMTs) that are used to load and unload from the ship. The new locks of the expanded Panama Canal have a total of 16 rolling gates (eight for each new lock complex). The gates are being shipped four at a time from Italy. They will be unloaded onto a temporary dock until ready for installation. Unlike the current Canal, which uses miter gates, the expanded Canal will have steel rolling gates. The Panama Canal Expansion is now 62% complete. It involves the construction of a third lane of traffic allowing the passage of Post-Panamax vessels, which will double the Canal's capacity and have an important impact in world maritime trade.

**Dramatic Video of First Gates For The Expanded Panama Canal In [M/V STX Sun Rise](#)**

<http://youtu.be/5M0XeoE4XuA>

**\*\*\*End of HST?** ..... as a U.S. Senate bill could go forward next month that will propose a repeal of the existing Harbor Maintenance Tax (HMT) replacing it with a fee to be levied on goods imported by road and rail from Canada & Mexico. The HMT is a federal tax imposed on the value of the goods being shipped through U.S. ports, and its revenue is placed in a trust fund, which is supposed to be used for maintenance dredging of federal navigational channels. The surplus in the Harbor Maintenance Trust Fund has grown to more than US\$7Bn, said a release. The HMT is not assessed on importers who route cargo through non-US ports and afterwards move their goods into U.S. markets by land, and the bill to be introduced by two Democrat Washington Senators, Patty Murray and Maria Cantwell, will set out to "level the playing field for American ports competing for cargo."

**\*\*\*Stronger Sisters** ..... as Mitsui OSK Lines (MOL) has announced that the work to strengthen the hulls of three of the six sister ships of the 7,041 TEU [M/V MOL Comfort](#), which sank in mid-June in the Indian Ocean after its hull split in two and a fire broke out on board, has been completed. The Japanese shipping company began preventative measures to enhance the safety of the six sister vessels immediately after the incident.

**\*\*\*Medrano Revoked** ..... as on July 25, 2013, the Federal Maritime Commission (FMC) revoked Transporte Medrano, Inc. d/b/a Medrano Express' ocean transportation intermediary license. Medrano Express is no longer authorized to provide ocean transportation services. Consumers and businesses should not tender cargo to Medrano Express or its agents for the international shipment of goods.  
<http://i.medranoexpress.com/MedranoExpress/servicios/transportedecarga/transportedecarga.php>  
[www.fmc.gov/consumer-alert-fmc-revokes-license/](http://www.fmc.gov/consumer-alert-fmc-revokes-license/)

**\*\*\*Failed Smuggle** ..... as the 35-member crew of a North Korean ship detained for smuggling Cuban weapons under 10,000 tons of sugar is likely to be returned home in a month, according to a Panamanian government official familiar with the incident. Panama will not respond to a request from Pyongyang seeking a "diplomatic manner" to resolve the future of the ship, the 3,990-dwt [M/V Chong Chon Gang](#), until the UN Security Council determines whether the shipment breached a wide-ranging North Korean arms embargo, according to Reuters. Cuba later acknowledged it was sending 240 tons of "obsolete" weapons, including two MiG jets, 15 MiG engines and nine anti-aircraft missiles, to be repaired in North Korea and returned to Cuba.

**\*\*\*All Ashore Who's Going Ashore!!!!** ..... as the captain of Virginia's Jamestown-Scotland Ferry that moved away from the pier as a car was boarding on Aug. 14 night has been suspended. The car plunged into the James River and its driver had to swim to the dock and be pulled to safety. Preliminary investigation indicates ferry [M/V Surry](#) did not malfunction. Following a Coast Guard inspection, [M/V Surry](#) was returned to service the next day. Capt. Jack Goolsby has been employed since Sept. 25, 2012. He was held after the incident. It is unclear why the Surry began to move away from the pier. The Coast Guard is taking the lead in the formal investigation. The captain & crew were all tested for alcohol and drug use. No other crew were suspended. Ferry service was suspended overnight while the investigation began and officials decided whether to remove the vehicle. The incident occurred about 8 p.m. when the ferry [Surry](#) was preparing for departure on the Jamestown side. The car was the 6th to board the ferry when the vessel began pulling away from the pier. A woman inside the car was able to get out and swim to the dock where she was pulled to safety.

**\*\*\*Having One For The Road** ..... as an epic bender nearly landed a tourist on the proverbial "slow boat from China." A man identified as Jiang Wu, who was staying at a Bed & Breakfast in Qingdao, Eastern China, embarked on a night of partying that left him so inebriated that he mistook a shipping container for the B & B he was staying at and fell asleep inside. When Wu woke up the container had been loaded aboard a cargo ship set for a two-week trip to Los Angeles, UPI.com reported. The container was sealed, but Wu had a phone and called everyone he knew, including the local police, who arrived at the scene on Aug. 15. "His problem was, though, he couldn't tell us which container he was in and there were thousands of them stacked on top of each other," a police spokesman, according to Fairfax NZ News. Wu kept banging on the walls and police eventually found him in some containers stacked 60 feet high, "He's very lucky. If he'd been asleep for another hour the next stop would have been America (dead)," one dock worker said.

**\*\*\*Throughput >>>** China ports container movement posted an 8.4% year-on-year increase in throughput nationwide to 16.49 million TEU, while also posting a 0.3% slower rate of growth. >>> Sweden's leading **Port of Gothenburg** throughput increased by 2% during the 1st half of 2013, to 466,000 TEU. Outbound lo-lo traffic increased by 4%, while inbound volume was down by 1%. >>> **Port of Hamburg** throughput in the 1st half of 2013 increased 3.5% from the 2012 period to 68.1 million tons, while volumes were up 2.1% to 4.5 million TEUs. >>> **Port of Shanghai**, the world's largest container port, increased 5% year on year to 2.98 million TEU compared to 2.84 million TEU registered in the same 2012. >>> **Singapore's** Maritime & Port Authority reported a 6.6% increase in container movement in July, having handled three million TEU compared to 2.77 million TEU in July last year. >>> **Port of Wuhu** in eastern China's Anhui province posted a yearly 8.7% increase in volume to 165,321 TEU in the first 7 months.

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

1782 - Badge of Military Merit (Purple Heart) established.

1912 - Birthday of the Navy Dental Corps.

1942 - Navy Amphibious Task Force lands Marines on Guadalcanal, Solomon Islands, in first U.S. land offensive of World War II.  
1945 - First surrender of Japanese garrison at end of World War II; [USS Levy](#) (DE 162) receives surrender of Mille Atoll in Marshall Islands.  
1980 - [USS Passumpsic](#) (AO 107) rescues 28 Vietnamese refugees.

\*\*\***Goodbye** ..... as a bit of TV history is now in the scrap heap, literally. The cruise ship used in **The Love Boat** took her last voyage to a Turkish breakers this month to be dismantled for metal and parts. The 42-year-old [M/V Pacific Princess](#) was a star of sorts in the ABC show, which ran from 1977 to 1986. The final journey from Italy wasn't smooth: The ship ran into a storm, took on water and needed help from tugs to reach port, all without Captain Stubing. In its day, the [Pacific Princess](#) could carry 600 passengers, pretty low compared to the behemoths sailing today that generally carry about 2,000.

**Take A Step Back In Time**

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

\*\*\***The Bad Idea Moves Forward** ..... as Blue Star Line in conjunction with German hydrodynamic service and consulting company Hamburg Ship Model Basin (HSVA) will next month be conducting the first model testing of the proposed "[M/V Titanic II](#)". A 9.3m wooden model of Titanic II will be put through resistance and powering tests in a 300m long tank at HSVA's Hamburg facilities in mid-September. Titanic II is scheduled to be launched from its construction base in China in 2016, before her maiden passenger voyage retracing the original journey from Southampton to New York.

**Read More About [M/V Titanic II](#)**

[http://en.wikipedia.org/wiki/Titanic\\_II](http://en.wikipedia.org/wiki/Titanic_II)

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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 2001 Photo Feature Award Winner: "**Bumper Cars**" two stories of the sea.

[www.cargolaw.com/2001nightmare\\_modern\\_drive.html](http://www.cargolaw.com/2001nightmare_modern_drive.html)

See our newest photo feature "**Singles Only**" - Transportation Disasters Told In A Single Photo!

[www.cargolaw.com/2000nightmare\\_singles.only.html](http://www.cargolaw.com/2000nightmare_singles.only.html)

Daily Vessel Casualties ..... as we don't want you to miss the excitement of our 24 hour reports of the dramatic events at sea each day -- stories of casualties & pirates --- almost none of which are carried on your local news. Edited daily by **Christoph Wahner, Esq.** of **Countryman & McDaniel**.

[www.cargolaw.com/presentations\\_casualties.php](http://www.cargolaw.com/presentations_casualties.php)

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

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

**6. The Cargo Letter "Cyber Ports Of Call"**

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

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

China Manufacturing Outlook 2013-2014 - Summary of Findings & Forecasts  
[www.supplychain247.com/paper/china\\_manufacturing\\_outlook\\_2013\\_2014](http://www.supplychain247.com/paper/china_manufacturing_outlook_2013_2014)

Dramatic Shift in U.S., China Trade Figures Begs the Question: What's Next?  
[www.supplychain247.com/article/dramatic\\_shift\\_in\\_us\\_china\\_trade\\_figures\\_begs\\_the\\_question\\_whats\\_next](http://www.supplychain247.com/article/dramatic_shift_in_us_china_trade_figures_begs_the_question_whats_next)

Elon Musk Unveils Designs for Hyperloop..... CEO of Tesla Motors & SpaceX reveals diagrams  
[www.youtube.com/watch?v=6AzSxjKRZDE](http://www.youtube.com/watch?v=6AzSxjKRZDE)

EU - Honduras, Nicaragua & Panama Trade Agreements Became Operational Aug. 1  
<http://trade.ec.europa.eu/doclib/press/index.cfm?id=956>

Hauling New Treasure Along The Silk Road  
<http://tinyurl.com/SilkRoadTrains>

Integrating Inland Port & Logistics Networks to Improve Supply Chain Performance - A Drewry PDF Report  
[www.drewrysupplychains.com/media/briefings/24/LEB\\_TOC\\_Rotterdam\\_Presentation.pdf?utm\\_campaign=LEB+August+2013&utm\\_source=emailCampaign&utm\\_medium=email&utm\\_content=](http://www.drewrysupplychains.com/media/briefings/24/LEB_TOC_Rotterdam_Presentation.pdf?utm_campaign=LEB+August+2013&utm_source=emailCampaign&utm_medium=email&utm_content=)

Tesla's Revolutionary Supply Chain  
<http://blogpool4tool.com/2013/07/25/teslas-revolutionary-supply-chain/>

Top 100 U.S. Truckers From Inbound Logistics  
[www.inboundlogistics.com/digital/top100truckers\\_2012.pdf](http://www.inboundlogistics.com/digital/top100truckers_2012.pdf)

U.S. Customs & Border Protection (CBP) Broker Examination .....Oct. 7, 2013 at various locations throughout the U.S.  
[www.cbp.gov/linkhandler/cgov/trade/trade\\_programs/broker/broker\\_exam/notice\\_examination.ctt/notice\\_examination.pdf](http://www.cbp.gov/linkhandler/cgov/trade/trade_programs/broker/broker_exam/notice_examination.ctt/notice_examination.pdf)

U.S. Customs & Border Protection Notice of Regulatory Changes For Split Shipments  
[www.census.gov/foreign-trade/regulations/ftletters/ftno6-regulatory-change-for-split-shipments.pdf?eml=gd](http://www.census.gov/foreign-trade/regulations/ftletters/ftno6-regulatory-change-for-split-shipments.pdf?eml=gd)

U.S. Navy All Hands Magazine Digital Archive Launched (since 1922)  
[www.navy.mil/ah\\_online/](http://www.navy.mil/ah_online/)

Where Next For Ocean Freight Rates? + A Drewry PDF Report  
[www.drewrysupplychains.com/media/briefings/24/Where\\_next\\_for\\_freight\\_rates.pdf?utm\\_campaign=LEB+August+2013&utm\\_source=emailCampaign&utm\\_medium=email&utm\\_content=](http://www.drewrysupplychains.com/media/briefings/24/Where_next_for_freight_rates.pdf?utm_campaign=LEB+August+2013&utm_source=emailCampaign&utm_medium=email&utm_content=)

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

**Corinthian Protection International**  
[www.corinthian-asia.com/](http://www.corinthian-asia.com/)

Solar Power for Trucks  
[www.enowenergy.com/](http://www.enowenergy.com/)





Western Cargo Conference (WESCCON) ..... 17-20 Oct. 2013, Racho Las Palmas Resort, Rancho Mirage, CA

[www.wescon.com/Section.asp?article\\_id=1150](http://www.wescon.com/Section.asp?article_id=1150)

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

Educreations ..... a white board App

**Red Laser** .... scan barcodes for competitive prices & product info

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

**71st Doolittle Raiders Anniversary Reunion** .... 4 great heros are left

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

<http://photos.denverpost.com/2013/04/18/photos-doolittle-raider-71st-anniversary-reunion/>

Alaska C-17 Plane Crash Full Flight Video HD, 22 April 2013

[www.youtube.com/watch?v=QEPCw\\_zNdgk](http://www.youtube.com/watch?v=QEPCw_zNdgk)

Battle of Fishguard .....the last armed invasion of Britain

[www.maritimeprofessional.com/Blogs/Maritime-Musings/August-2013/Battle-of-Fishguard.aspx](http://www.maritimeprofessional.com/Blogs/Maritime-Musings/August-2013/Battle-of-Fishguard.aspx)

"Big Boy" Locomotive On The Move

<http://m.ustream.tv/channel/union-pacific-big-boy-chase>

Boeing 747 Flight - Stowaway/Landing Gear View

[www.youtube.com/watch?v=T2RoG9qjS1k&fb\\_action\\_ids=138920369651453&fb\\_action\\_types=yt-fb-app%3Afavorite&fb\\_source=timeline\\_og&action\\_object\\_map=%7B%22138920369651453%22%3A10150115240395163%7D&action\\_type\\_map=%7B%22138920369651453%22%3A%22yt-fb-app%3Afavorite%22%7D&action\\_ref\\_map=%5B%5D](http://www.youtube.com/watch?v=T2RoG9qjS1k&fb_action_ids=138920369651453&fb_action_types=yt-fb-app%3Afavorite&fb_source=timeline_og&action_object_map=%7B%22138920369651453%22%3A10150115240395163%7D&action_type_map=%7B%22138920369651453%22%3A%22yt-fb-app%3Afavorite%22%7D&action_ref_map=%5B%5D)

Cats & Vacuums

[www.flixxy.com/cats-who-love-vacuum-cleaners.htm?utm\\_source=nl](http://www.flixxy.com/cats-who-love-vacuum-cleaners.htm?utm_source=nl)

Ford's B-24 Bomber Plant at Willow Run, Michigan

[www.youtube.com/embed/iKlt6rNciTo?rel=0](http://www.youtube.com/embed/iKlt6rNciTo?rel=0)

Great Moments in Travel History

[www.frequentbusinesstraveler.com/2013/08/great-moments-in-travel-history-august-2013/](http://www.frequentbusinesstraveler.com/2013/08/great-moments-in-travel-history-august-2013/)

Hindenburg-Unseen Photos

[www.theatlantic.com/infocus/2012/05/75-years-since-the-hindenburg-disaster/100292](http://www.theatlantic.com/infocus/2012/05/75-years-since-the-hindenburg-disaster/100292)

Fortress Coming Home

[www.398th.org/History/Articles/Remembrances/Ostrom\\_FortressHome.html](http://www.398th.org/History/Articles/Remembrances/Ostrom_FortressHome.html)

King Air B100 - IFR flight to La Guardia KLGA

[www.youtube.com/watch?v=-Swq9M4Hwk&feature=c4-overview&list=UUKIERSbtj6SrJChnKPVUgWg](http://www.youtube.com/watch?v=-Swq9M4Hwk&feature=c4-overview&list=UUKIERSbtj6SrJChnKPVUgWg)

New Fireboats Amongst World's Most Powerful

<http://articles.maritimepropulsion.com/article/New-Fireboats-With-Voith-Propulsion-Amongst-Worlds-Most-Powerful54683.aspx>

Prager University - Wisdom In 5 Minutes

[www.prageruniversity.com/mobile/Life-Studies/Forgiveness.html](http://www.prageruniversity.com/mobile/Life-Studies/Forgiveness.html)

President Lyndon B Johnson Ordering Pants, 1964 (really)  
<http://youtu.be/RftQDvnyDPE>

SFO Time Lapse - Aug. 2 2013  
[www.youtube.com/watch?v=q4j3fzJ-8eo&feature=share&list=UU32r0TkhAGOxRiE52Uu2Kqw](http://www.youtube.com/watch?v=q4j3fzJ-8eo&feature=share&list=UU32r0TkhAGOxRiE52Uu2Kqw)

SpaceX's Grasshopper Scores ..... Falcon 9 test rig takes off, flies to altitude of 250 meters, moves laterally 100 meters & returns to pad -- a crucial step in the program's progress. Impressive  
[www.youtube.com/watch?v=2t15vP1PyoA#t=11](http://www.youtube.com/watch?v=2t15vP1PyoA#t=11)

Terrafugia Transition Flying Car Makes First Public Flight  
[www.engadget.com/2013/07/31/terraugia-transition-first-public-flight-video/](http://www.engadget.com/2013/07/31/terraugia-transition-first-public-flight-video/)

Top 10 Stolen Cars in 2012 - NICB Hot Wheels List  
<http://list.sbmedianews.com/t/4790066/154143373/584426/142/?4f415564=MTU0MTQzMzc&x=3f1d94b5>

Training A Student Jetman  
[http://flightaware.com/squawks/view/1/24\\_hours/popular\\_new/36045/Yves\\_Rossy\\_trains\\_student\\_Jetman](http://flightaware.com/squawks/view/1/24_hours/popular_new/36045/Yves_Rossy_trains_student_Jetman)

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

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

**\*\*\*Turbulent Skies For Prospective Largest Airline.....**as the U.S. Dept. of Justice, joined by 7 state Attorney Generals, filed suit on August 13th against U.S. Airways Group, Inc. ("US Air") and AMR Corporation ("AA") in an effort to block the anticipated merger between U.S. Air and AA. That merger was the intended plan under which AA was to emerge from its still-pending bankruptcy, a plan largely brought about by US Air management and AA's pilots' union, the Allied Pilots Assn.

The lawsuit alleges the merger would leave three very similar U.S. legacy airlines (Delta, United and the New American) which would coordinate and cooperate -- as opposed to compete -- on price and service. The lawsuit alleges current price coordination between existing legacy carriers as evidence and emphasizes the current competitive role of U.S. Air's "Advantage Fares," which would presumably be lost as a result of the merger. The government argues both AA and U.S. Air are readily capable of surviving as independent carriers. The government advocates the consumer would benefit most if AA proceeded with its management's original rapid growth plan under a stand-alone exit from bankruptcy. The lawsuit is particularly critical of U.S. Air management, the team which would preside over the merged entity; the government essentially alleges motives of fare increases and anti-competitive practices. The government also cites concern over the merged entity holding 69% of slots at Reagan National in Washington, though slots could be surrendered toward compromise just as slots at Heathrow were surrendered as a condition for merger approval by EU Regulators.

AA and U.S. Air vehemently deny the allegations and advocate consumer benefits of the merger, pledging to fight the charges aggressively and asserting confidence the merger will be approved, albeit now delayed. The airlines, joined by the Allied Pilots Association, have requested expedited handling and trial before the end of the year. 1:13-cv-01236 (D.C. 2013)

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

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