

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**." Here's what happened in our industry during October 2009.

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

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INDEX to The Cargo Letter:

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

1. **Freight Forwarder Trade Briefs** _____
2. **The Cargo Letter Financial Page** _____

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

3. **Freight Forwarder World Air Briefs** _____

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

4. **FF World Ocean Briefs** _____
5. **The Cargo Letter Cargo Damage Dispatches** _____

****Back By Popular Demand****

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

6. **The Cargo Letter "Cyber Ports of Call"** _____

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

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

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

1. **Freight Forwarder Trade Briefs** _____

*****UK Warns: Stop Trading With Iran** as the UK government has submitted a directive to Parliament under the Counter-Terrorism Act 2008 that requires the UK financial services sector to cease all business with the Iranian Bank Mellat and the Islamic Republic of Iran Shipping Lines. This followed recent news that UK forwarders working for U.S. counterparts could find themselves subject to U.S. action for shipping goods to or from Iran or if Iranian vessels are used. The British Int'l Freight Assn. (BIFA) warns its membership that new sanctions being taken by the U.S. against Iran may make UK forwarders subject to punitive action by the U.S. government, should they be judged to have assisted U.S. companies in trading with Iran. The U.S. regulations mean that any American entity facilitating trade with Iran, in any form, could be targeted.
www.bifa.org/

*****The Biggest Free Trade Zone** as the China-ASEAN Free Trade Area (CAFTA) will come into effect on Jan. 1, 2010 for comprehensive economic cooperation, reported Xinhua News on Oct. 20, 2009. This agreement will provide a zero-tariff policy on 90% of the products traded between China & ASEAN countries including Brunei, Cambodia, Indonesia, Laos,

Malaysia, Myanmar, the Philippines, Singapore, Thailand & Vietnam. Once CAFTA takes effect, it will be Asia's biggest free trade zone with a trade volume of US\$4.5 trillion and a combined GDP of US\$6 trillion.

*****EU's Korean Car Deal** as South Korea and the European Union last week signed a free trade agreement that contains many similarities to an agreement signed between South Korea and the U.S., according to the Office of the U.S. Trade Representative (USTR). While the two agreements are comparable in many respects, the USTR said there are key differences in the automotive trade & regulatory aspects of the two agreements. The main differences come in tariff reductions for cars traded between the regions. The EU & Korea will eliminate tariffs on cars in 3 or 5 years, the analysis said. Under KOR-US agreement, Korea's 8% auto tariff will be eliminated immediately, while the U.S. would eliminate its 2.5% tariff on small cars immediately and on large cars over 3 years. The US-Korea FTA also contains a specific enforcement mechanism that includes the ability to "snap back" tariffs on Korean cars if Korea takes measures that impair the agreement's expected benefits, a feature lacking in the EU-Korea FTA. The EU is South Korea's 3rd largest trading partner and the U.S. is its 4th largest.

*****U.S. & Maldives Trade Deal** as they have signed a Trade & Investment Framework Agreement (TIFA) to study ways to enhance bilateral trade and investment. The agreement will establish a regular U.S.-Maldives Council in which high-level officials from each country will meet to address a wide range of trade and investment issues, including market access, intellectual property, labor and environment. The council will be chaired by the Office of the U.S. Trade Representative and the Maldives Ministry of Economic Development. U.S. goods exports to the Maldives in 2008 were US\$20M, an increase of 5% from 2007.
<http://en.wikipedia.org/wiki/Maldives>

*****Weather Follow-Up** as the U.S. Dept. of Agriculture said the U.S. will send US\$8.5M in food aid to the typhoon-ravaged Philippines. The allocations are for about 7,000 metric tons of U.S. rice & 680 metric tons of non-fat dry milk that is produced in the U.S. & donated by USDA. The commodities will be processed into ultra high temperature milk & biscuits and will feed about 438,000 flood victims for 60 days. The U.S. = people who care.

*****Lack of Federal Coordination Threatens Food Supply** as the U.S. imports food from more than 150 countries. According to the U.S. Dept. of Agriculture, imported foods comprise 15% of the U.S. food supply, including 60% of fresh fruits & vegetables and 80% of seafood. In charge of food import safety are Customs & Border Protection, Food & Drug Administration and Food Safety & Inspection Service (FSIS). A Government Accountability Office report to the U.S. Congressional Committee on Energy & Commerce said CBP's system does not notify FDA or FSIS when imported food shipments arrive at U.S. ports. "This lack of communication may potentially increase the risk that unsafe food could enter U.S. commerce without FDA review, particularly at truck ports," the watchdog agency said. Read the new GAO report: "**Food Safety, Agencies Need To Address Gaps in Enforcement to Enhance Safety of Imported Food.**"
www.gao.gov/new.items/d09873.pdf

*****Some Intermodal Life Signs** as Sept. intermodal units were the highest since Nov. 2008 says the Assn of American Railroads (AAR). AAR reported that while U.S. rail intermodal traffic in Sept. was down 14.6% (to 993,235 units) compared with the same month last year, average weekly intermodal units in Sept. 2009 were the highest since Nov. 2008.

*****UPS In The Fight Against Cargo Crime** as Big Brown has become the latest member of the Transported Asset Protection Assn. (TAPA). Other new members this year include Electrolux, Procter & Gamble, Samsung Electronics & Sony Ericsson. According to the European Union, the theft of high value, high risk products moving in supply chains in Europe costs businesses in excess of US\$12.25Bn a year. TAPA EMEA members reported 525 incidents of crime with a total loss value of US\$18.3M during the 2nd quarter of 2009. TAPA unites global manufacturers, logistics providers, freight carriers, law enforcement agencies, and other stakeholders with the

common aim of reducing losses from int'l supply chains. The Assn's 600-plus members include many of the world's leading manufacturing brands as well as their logistics and transport providers with combined annual sales of over US\$900Bn.

www.tapaemea.com/public/

*****UPS** In Climate Change as customers can offset the carbon dioxide emissions from shipments transported within the U.S. under a new program from the package delivery giant. The shippers can opt to pay a per-package price of US\$0.05 for UPS Ground services & US\$0.20 for UPS Next Day Air, UPS 2nd Day Air and UPS 3 Day Select services, UPS said in a statement. Atlanta-based UPS will match the offset purchases, "effectively doubling the offsets purchased in 2009-2010, up to US\$1M," the company said. Offsets will be purchased based on the carbon associated with participating shipments. The calculation methodology & processes have been verified by certification company Société Générale de Surveillance (SGS), according to UPS. Also, a carbon analysis service is available to high-volume customers on a contract basis, UPS said.

*****U.S. Surface Transportation Board Goes Public** as the regulator of railroads & domestic shipping, will now hold public oral arguments in major cases. "Oral arguments will give parties an opportunity to directly address the board and allow board members a chance to ask questions before making a decision," the STB said. "The format will be similar to oral arguments held in federal appellate courts. While the proceedings will be open to the public, only counsel for the parties will be allowed to present argument. This is another way to demystify the process," the agency said. Finally. Bravo.

www.stb.dot.gov/

*****1st American Superhighway Opened This Month in 1940** as the the Pennsylvania Turnpike utilized roadbed & unfinished tunnels from an abandoned railroad project of the 1880s to make the nation's 1st limited access, divided highway (freeway). The original road ran for 160 miles and featured 7 tunnels, 10 service plazas, & 11 interchanges. In the years since, the turnpike -- now part of the Interstate Highway System -- has seen many improvements and is twice its original length. In the U.S. today, there are just under 4 million miles of roads, including nearly 47,000 miles of interstate highways.

http://en.wikipedia.org/wiki/Pennsylvania_Turnpike

*****Hiring Good Drivers May Get Easier** as the Federal Motor Carrier Safety Administration (FMCSA) will soon give hiring managers access to an electronic database of driver inspection and crash records for potential hires. Expected to launch the tool by year's end, the FMCSA hopes to increase safety on roads while removing some of the hassle from a hiring manager's screening process.

www.fmcsa.dot.gov/about/news/news-releases/2009/pre-employment-screening.aspx

*****Let's See A Show of Hands** as trade is off in most commodities, but information service Panjiva said it has found imports of one commodity has spiked in recent months as concerns about swine flu have grown. The New York-based firm said an analysis of hand sanitizer shipments found that, in the 3rd quarter, there were 128 waterborne hand sanitizer shipments to the U.S., compared to 56 shipments in 3rd quarter of 2008. The company did not say how large the shipments are, but a graph of the quarterly shipments shows a dramatic upswing in the past year -- up 129% in 3rd quarter alone.

<http://blog.panjiva.com/wp-content/uploads/2009/10/Hand-Sanitizer-Charts-2.png>

Global Trade Decline

<http://blog.panjiva.com/wp-content/uploads/2009/10/September-Data-Global-Trade-Declines.png>

*****Avalon Risk Management Takes A Step** as the int'l risk insurance broker announced this month that members of Avalon's senior management team have reached an agreement to purchase the assets of Avalon from parent company, Kingsway Financial Services Inc. The

transaction is sponsored by Fund Management Group LLC and will continue to operate under the Avalon banner as a privately held, independent company led by the current management team. Avalon began its brokerage operation in 1998 as a wholly-owned subsidiary of Kingsway.
www.avalonrisk.com/questnewsletter/special-quest/2009-Oct-19-Announcement/release.pdf

*****Entry Regulatory Fines of Over US\$1.6M Rescinded** as the **Countryman & McDaniel** law firm assisted a major U.S. foods importer this month in petitioning both U.S. Customs (CBP) and the Food & Drug Administration (FDA) for relief. The fines were levied as FDA penalties for the failure of the importer's Customs broker to establish compliance of shipments within the allotted detention period and to subsequently redeliver the merchandise. With involvement of legal counsel, the food product was quickly & conclusively established through scientific testing as compliant - but the FDA refused to reconsider the fine upon grounds of the original technical & procedural non-compliance by the importer's broker. While deference is typically given to FDA authority, **Countryman & McDaniel** was nevertheless successful in persuading CBP to unilaterally review the matter, ultimately resulting in rescission of all penalties & successful distribution of the food product. The importer's business was saved, as was the valuable product. When one path to resolution is blocked – often times there is another.

*****Bridging The Load** as the problem of trucks striking low or narrow bridges, causing hold-ups on the road, disruption to train services & costing millions of dollars every year to repair, could be drastically reduced according to the sat nav expert Garmin. It comes after a recent report found that nearly 2000 railway bridges across Britain were hit by vehicles in 2008. Now Garmin has launched a new version of its sat nav designed specifically for truck drivers. The nüvi 465TF system is able to help drivers avoid low bridges & narrow lanes because it can store the truck's dimensions & help reroute journeys away from restricted areas. Read the study: "**The Risk of Bridge Strikes.**"
www.networkrail.co.uk/aspx/3563.aspx

*****Goodbye Lydall Transport** as it will begin transitioning its businesses name to the CrossGlobe Group brand. For over 50 years Lydall Transport, Ltd. has provided transportation and services to producers of specialized products that require expert care & handling.
www.crossglobegroup.com

*****Excuse Me Sir, You Stink** as Travelocity's 2009 Rudeness Poll reveals the opinions of nearly 1,600 North American travelers on an array of bad travel behavior, highlighting poor hygiene, oversized carry-on luggage & arguing families as among top travel peeves for U.S. respondents. From boarding the plane to dining out while on vacation, it seems rude behavior occurs at every stage of the trip. Canadians & Americans are broadly similar in terms of the people & behaviors that annoy them on vacations. They generally agree about their least-favorite traveler to sit next to during a flight, passengers with "poor hygiene" being the top pick (45% of North Americans) and "coughing or sneezing passengers" coming in second (30% of North Americans). Americans find "loud talking or swearing" (56%) and "**kicking the seat**" (50%) the most irritating on-board behavior. And, they say the most bothersome fellow travelers to encounter during vacation are arguing families (31%), boisterous kids (28%) & rowdy college students (24%). OK, but don't kick the damn seat!
www.travelocity.com/rudeness

*****He Must Have Been A Forklift Operator** as authorities say an Italian man took reckless driving to new heights in 11 frantic minutes of traffic violations in eastern Switzerland. They said they first spotted the 47-year-old driver as he sped his jeep past an unmarked police car at 160 kph (100 mph) in a rainstorm Oct. 18. Driving dangerously close to other cars on the autobahn, he then allegedly ignored police attempts to pull him over - first with a stop sign, and then with flashing lights & sirens. Police say the man drove through a construction zone at 140 kmh (87 mph), nearly twice the speed limit, before being stopped. They seized the man's driver's license, and a judge ordered him tested for medications & illegal drugs. Police said the man racked up 15

traffic violations in 11 minutes.

*****Transport Comfort Mayhem** as a Minnesota man has pleaded guilty to driving his motorized La-Z-Boy chair (recliner) while drunk. A criminal complaint says 62-year-old Dennis LeRoy Anderson told police he left a bar in the northern Minnesota town of Proctor on his chair after drinking 8 or 9 beers. Prosecutors say Anderson's blood alcohol content was 0.29, more than 3 times the legal limit, when he crashed into a parked vehicle in Aug. 2008. He was not seriously injured. Police said the chair was powered by a converted lawnmower and had a stereo & cup holders. Sixth Judicial District Judge Heather Sweetland stayed 180 days of jail time & ordered 2 years of probation for Anderson. His attorney did not immediately return calls for comment. Yea, he had to be named LeRoy.

See The La-Z-Boy:

http://news.yahoo.com/s/afp/20091024/od_afp/uscrimeoffbeat

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2. The Cargo Letter Financial Page _____

****Alaska Airlines Cargo. DOWN** with a 9.2% drop in freight & mail revenue to US\$26.5M for 3rd quarter ending Sept. 30 compared to same period last year -- and for the 1st nine months of 2009 was down 10.5% to US\$69M.

****CMA CGM Line. DOWN** as it lost US\$515M in 1st half of 2009.

****C.H. Robinson. UP** with 3rd quarter net profit of US\$95.5M, 2% more than in the same 2008 period, despite a fall in revenue.

****Continental Airlines. DOWN** as 3rd quarter cargo revenue dropped 28.7% over same period in 2008 to US\$92M -- & net income of US\$2M for 3rd quarter.

****Hub Group Inc. DOWN** as 3rd quarter net income was US\$9.8M, 42% lower than in the same period the prior year.

*****"K" Line. DOWN** as operating loss was US\$471M, compared to a profit of US\$705 M in 1st half 2008..

****Kuehne + Nagel. DOWN** as its operating profits from for the 1st 9 months of 2009 fell 10%, to US\$687M.

****MOL. DOWN** as 1st half revenue dropped 43% to US\$6.9Bn.

****NYK Line. DOWN** with 1st half operating loss of US\$410M, after earning US\$1.2Bn in same period 2008.

****UPS. DOWN** with earnings of US\$549M for the 3rd quarter, a drop of 43% from last year.

****Union Pacific Corp. DOWN** with 3rd quarter net profit of US\$517M, 26% less than in the same 2008 period.

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

3. Freight Forwarder World Air Briefs _____

*****KLM Celebrates 90 Years of Operations On Oct. 7, Drops Capacity** as the company reported a drop of 17.2% in cargo traffic in Sept. and announced a re-organization of its freighter capacity. Speaking at the Dutch National Aerospace Laboratory as part of the airline's low-key celebrations, KLM President & CEO Peter Hartman said the main changes he foresees in the short term involve the development of sustainable fuels. Meanwhile, in response to continued excess freighter capacity, KLM is transferring KLM Cargo's B747-400ERFs to its subsidiary Martinair to operate a combined fleet of nine 747s & MD-11s out of Amsterdam. Air France plans to continue flying two B777Fs & three B747-400ERFs from Paris. The result will be a 20% reduction in group cargo capacity for the 2009/10 Winter period.

*****American Airlines Cargo Celebrates 65 years of Service** as the Dallas-based carrier conducted the air cargo industry's 1st scheduled airfreight service on Oct. 15, 1944. The 19-hour flight moved 6,000 pounds of bulk cargo from New York's LaGuardia Field to Burbank, Calif. How times have changed, flight time around the world from LAX to Sydney is now only 14 hours 31 mins. -- with cargo capacity of 30,177 cu ft!

www.aacargo.com/

*****Industry Volume Forward - At A Creep** as int'l cargo demand fell by 9.6% in Aug. over last year but moved up slightly from the 11.3% year-on-year level set in July, according to the Int'l Air Transport Assn. All regions saw improved freight volume in Aug. compared to July, IATA said. However, Latin American & Middle East carriers were the only regions to report growth of 3.9% & 3.0%, respectively. The association's 2010 forecast predicts average int'l freight growth of 5.5% compared to an expected full-year decline in 2009 of 14.5%.

*****EU Air Jobs Lost For Years** as the Assn. of European Airlines (AEA) says the European air transport industry has lost 95,000 jobs in the past year as a result of the global economic recession. AEA said members will post a collective operating loss of US\$4.3Bn in 2009 - 50% higher than in 2001 following the U.S. World Trade Center bombing. Commenting on the increase in expenses outside the airlines' control Ivan Misetich, AEA chairman noted, "We have been ripped off for years and the airports & air navigation service providers, still acting as uncontrolled monopolists in our competitive market, continue to push up their prices. During recent weeks we have seen major airports, national air traffic control providers and even the U.S. health agency which inspects arriving flights proposing fee increases to compensate for lower traffic volumes."

*****Industry Down - So Pile On** as the EU Council of Ministers wants the European airline industry to reduce emissions by 10% based on 2005 levels by 2020. The EU says these targets would be achieved by global market-based instruments directed by respective UN regulatory agencies and the Int'l Civil Aviation Organization (ICAO). The EU ministers want developed countries to cut emissions by at least 80% to 95% below 1990 levels by 2050 and declared the EU will raise its 2020 emissions reduction target from 20% to 30%. EU pile on, it's only jobs.

*****New Cargo Giant Delayed** as the 1st flight of Boeing's 747-8 freighter will happen early next year rather than late 2009 and 1st delivery has slipped from the 3rd quarter to the 4th quarter of 2010, the company said. Boeing has 78 orders for the new freighter from cargo operators including Cargolux, Nippon Cargo Airlines, AirBridgeCargo Airlines, Atlas Air, Cathay Pacific, Dubai Aerospace Enterprise, Emirates SkyCargo, Guggenheim & Korean Air. Boeing also notes that the 747 program is now in "a loss position."

www.boeing.com/commercial/747family/747-8_background.html

http://en.wikipedia.org/wiki/Boeing_747-8

*****FedEx Express Tackles Lithium Batteries** as it is installing an onboard automatic fire-suppression system on its MD-11 int'l aircraft fleet that it said is effective against lithium fires. In Aug., the Air Line Pilots Assn. Int'l called on the U.S. government to prohibit shipments of lithium batteries on passenger & all-cargo aircraft until new regulations are in place to ensure the safe transport of what it said were hazardous materials. FedEx began installing the systems in April and expects to have completed installation on 59 MD-11 aircraft in early 2011. FedEx also plans to install the system on new Boeing 777 freighters, which begin int'l service in the company's fleet in early 2010. The system uses infrared thermal sensors, foaming-agent generators & an overhead cargo-container injector. If sensors detect heat, the fire suppression technology located above each cargo container is activated, simultaneously alerting crewmembers. The metal container is pierced by an injector apparatus and filled with an argon-based biodegradable and non-corrosive fire-suppression foam that FedEx said will control & extinguish the fire in minutes. There have been 3 incidents this year which took place in Minneapolis-Saint Paul, Santo Domingo, Dominican Republic & Honolulu that were similar to a 2006 battery fire aboard a DC-8 in Philadelphia.

Dept. of Transportation's Warning For Safe Transport of Lithium Batteries

<http://edocket.access.gpo.gov/2009/pdf/E9-24184.pdf>

*****Singapore Airlines Loses On Price Fixing** as it has lost its appeal against notices issued by the Australian Competition and Consumer Commission (ACCC) as the agency

continues its cargo price-fixing investigation. Singapore Airlines challenged the validity of the request as it related to traffic between two points outside Australia. The Federal Court in Sydney rejected the argument saying that "prices fixed for legs of a journey which take place wholly outside Australia may ultimately affect competition in a market in Australia." The notices, issued under section 155 of the Australian Trade Practices Act of 2007 and 2008, required the airline to produce documents and information as part of an ACCC investigation into fuel and security surcharge price fixing which has so far imposed fines of US\$36.6M. The ACCC, which is also investigating PT Garuda Indonesia, Cathay Pacific & Emirates Airline, appears to have been granted extraterritoriality rights by the Australian High Court.

*****DHL Focus On High Risk Cargo** as its global forwarding unit has signed a deal with Cathay Pacific Airways to increase security of high-value freight. The program is aimed at air freight shipments of pharmaceutical, fashion or hi-tech products that are pre-alerted as requiring special loss prevention measures. The security partnership between DHL Global Forwarding and Cathay requires the companies to share best practices in loss prevention against cargo crime. It also involves close communications with forwarders, airport authorities, law enforcement & customs.

*****Continental Airlines Cargo Claims Glass Slipper** as it has launched a new door-to-door service called COsecure for single shipments worth more than US\$25,000.00. The company calls the new service it's Cinderella.

*****FedEx Express - Asia/Eu -- Overnight**as it has launched a next-business-day service connecting mainland China, Hong Kong & Singapore with France & Germany. The new service covers International Priority shipments that originate from Hong Kong, Shanghai & Singapore destined for Frankfurt, Cologne & Paris, from Monday to Thursday.

*****Hello Trai Thien Air Cargo** as authorities in Vietnam have granted a license to provide air cargo services in the country, according to Vietnamese press reports. The carrier, which is expected to begin operations early next year, would become the 1st cargo airline in the country. Trai Thien Air Cargo will initially provide services within the country using a Boeing 737-300F aircraft, according to the reports. The company plans to add 4 new aircraft to its fleet and then expand service to N.E. & S.E. Asia. The private airline has charter capital of \$28M.

<http://traithienaircargo.com/en/index.php>

*****Rumble In Paradise** as 2 of the 3 jet carriers that fly interisland routes in Hawaii are merging in hopes of growing & taking market share away from Hawaiian Airlines. The parent companies of Mokulele Airlines and go! announced they have formed a joint venture that will create the state's "only low-cost carrier, ensuring a strong competitive presence in the inter-island market for the benefit of consumers." The company will continue flying under both brand names. Phoenix-based Mesa Air Group Inc., which operates go!, will own 75% of the new company while Mokulele Flight Service Inc. and its shareholders will own 25%. Passengers can continue to book travel on both Mokulele and go! and existing reservations will be honored.

www.iflygo.com/

*****Better Bunker Biofuels** as Boeing, Honeywell and the government of Mexico have formed a partnership to study the potential for large-scale production of sustainable aviation biofuels. Results are expected to be available in late 2010. Halophytic plants, which can be highly productive sources of biomass energy, will be the 1st research target of the study team led by Boeing, Mexico's Ministry of Communications and Transport's Airports and Auxiliary Services Agency (ASA), & Honeywell's unit, based in Des Plaines, Ill.

<http://en.wikipedia.org/wiki/Halophyte>

*****There's An App For That** as FlightAware has released the first-ever free flight tracking application for the Apple iPhone & iPod Touch. It's a free download via the Apple App Store. Users are able to track the real-time status & position of airline & private flights in the U.S.

Included with the application is a full screen tracking map that includes aircraft position, speed, altitude & NEXRAD weather.

<http://flightaware.com/iphone/>

*****Ryanair's Amazing Fees** as the "discount" EU carrier charges some unusual fees. Examples are a Checking In At Airport In Person Fee, a Payment Handling Fee, a Priority Boarding Fee (US\$5), an Infant Fee, an Infant Equipment Fee, a Sports Equipment Fee, a Musical Instrument Fee, a Bottle of Water Fee (US\$4.00) -- and our favorite -- the Bathroom Fee (about U.S.3.00). Ryanair's highest fee is drawing a lot of attention. If you misspell your name by one letter, or even if you write "Rob" when your passport says "Robert", you'll be charged US\$225 when you reach the airport. >>> What's next -- charging US\$4 to read the safety cards, or US\$10 to use oxygen masks, or how about US\$40 to use the emergency exit? See the fees:

www.ryanair.com/site/EN/faqs.php?sect=CHARGES

How To Avoid Ryanair Fees

http://gospain.about.com/od/ryanair/tp/ryanair_fees.htm

*****Volumes** >>> Abu Dhabi Airports Co. (ADAC) reported a 6.2% increase in cargo traffic for Aug. at Abu Dhabi Int'l Airport largely due to new services. >>> **Cathay Pacific & sister airline Dragonair** saw volume in Sept. fall 5.8 % at 133,301 tons of cargo & mail during the month, compared to the same month in 2008, but it continued a trend in recent months of smaller declines in volume.

*****Balloon Boy** as the mother of a Colorado boy thought to be aboard a homemade helium balloon has admitted to investigators the whole thing was a hoax, according to a court document made public on Oct. 23. The local sheriff had already said the Oct. 15 "Balloon Boy" incident was a publicity stunt & expected felony charges to be filed against the 6-year-old boy's parents, Richard & Mayumi Heene. The live television images of the silver flying saucer-like balloon soaring through the Colorado skies captivated audiences until the boy turned up in the family's attic. Public sympathy turned to outrage when the family's account began to unravel. According to a copy of a search warrant affidavit, Mayumi told investigators she & her husband lied to authorities & knew their son Falcon was at home as rescue teams tracked the balloon believing the boy was inside. "The motive for the fabricated story was to make the Heene family more marketable for future media interest," the affidavit states. The document also says the Heenes, who had starred in the reality television show "Wife Swap," had devised the hoax 2 weeks before and had instructed their 3 children to lie to authorities & the media. Shame.

Mr. Henne's Theme Song To Gain Fame - It Was All About This

[www.tMz.com/2009/10/20/richard-heene-balloon-boy-reality-show-theme-music/](http://www.t TMZ.com/2009/10/20/richard-heene-balloon-boy-reality-show-theme-music/)

*****Airliner Loses Contact, Overflies Destination** as the U.S. National Transportation Safety Board has said it is investigating a flight that overshot its decent point by 150 miles & its destination by another 150 miles -- when pilots reportedly got into a "heated discussion" on airline policy. The NTSB said the Airbus A320 became a "no radio communications" flight on Oct.21 evening as it travelled at 37,000 feet (11,300 meters) from San Diego, California, prompting fears it had been hijacked. Four military fighter jets were readied to chase down the plane before contact was re-established. The flight was carrying 147 passengers & an unknown number of crew & was supposed to land at Minneapolis-St Paul International/Wold-Chamberlain Airport. But instead, the plane flew over the airport and continued to fly northeast for another 150 miles (240 kms) before air traffic control at Minneapolis airport managed to regain contact. "According to the Federal Administration (FAA), the crew was interviewed by the FBI & airport police," the NTSB said. "The crew first stated they were in a heated discussion over airline policy and they lost situational awareness," the statement added. But, on Oct. 28, the pilots said they had focused on their laptop computers & lost track of time. Also on Oct. 28 the FAA revoked the licenses of both pilots - for endangering the passengers & operating the aircraft recklessly.

*****Flying Fists of Curry** as Air India took 2 pilots & 2 cabin crew off-duty over allegations that they had a furious fist fight during an int'l flight with 106 passengers aboard, the state-run

airline said Oct. 5. The scuffle allegedly took place in the aircraft galley at 30,000 feet on flight from the United Arab Emirates to New Delhi, **while the plane flew over India enemy Pakistan.** An investigation had been launched into what an Air India spokesman called "charges & counter-charges." In a police complaint made on landing Oct. 3, a 24-year-old flight attendant alleged a molestation attempt. But pilots Ranbeer Arora & Aditya Chopra alleged that the molestation claim was an attempt to deflect attention from misbehavior by a male purser. "All the 4 have been de-rostered and an inquiry committee is examining versions of each of them," Air India said. Faced with tough competition from private carriers, Air India has struggled with financial & image crises. Rats have been spotted on 2 Air India int'l flights in less than a month, according to reports. An investigation in May revealed that the carrier had loaded a flight 3 passengers beyond capacity. Several employees were de-rostered as a result. "Privatize Air India before it's too late," warned a column in the Hindustan Times newspaper Oct. 4. "As long as the government runs Air India, it will continue to strangle it," columnist Vir Sanghvi wrote. Geez, your pilots are fighting in the isle!!! Who's got the plane? Yes, the Kung-Fu movie was "Flying Fists of Fury."

http://en.wikipedia.org/wiki/Fist_of_Fury

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

4. FF World Ocean Briefs

*****U.S. Volume Remains Disappointing** as import cargo volume at the nation's major retail container ports is projected to total 12.7 million containers for 2009, the lowest level since 14 million TEUs were imported in 2004, according to the monthly Port Tracker report released by the National Retail Federation and IHS Global Insight. The revised number is significantly below last year's total. but shows continuing growth over what was forecast this summer, IHS Global Insight & NRF added. In Aug., Port Tracker forecast 12.3 million TEUs for the year and in Sept., increased the number to 12.5 million. The numbers have been revised upward to reflect higher projected imports for the remainder of the year as retailers anticipate that economic conditions will begin to improve. U.S. ports surveyed handled 1.17 million TEUs in Aug., the most recent month for which actual numbers are available. That was a rise of 6% from July, but down 15% from August 2008, marking the 26th month in a row to see a year-over-year decline. Volume for Sept. was estimated at 1.14 million TEUs, down 16% from last year. Oct., traditionally the peak month of the year, is forecast to be 1.17 million TEUs, down 15% from last Oct. Volume will then begin its annual downward cycle in Nov., which is forecast at 1.09 million TEUs, down 11% from last year. Dec. -- previously forecast at a 2% decline from last year -- is now expected to be flat at 1.06 million TEUs. All U.S. ports covered by Port Tracker -- Los Angeles-Long Beach, Oakland, Seattle & Tacoma on the West Coast; New York-New Jersey, Hampton Roads, Charleston & Savannah on the East Coast; and Houston on the Gulf Coast -- are currently rated "low" for congestion, the same as last month.

www.nrf.com/modules.php?name=Pages&sp_id=393

*****Ships Are Greener Than You Were Told** as there are much less emissions of sulphur, nitrogen oxides (NOx) & particles from ships than expected. This is the conclusion in a new investigation. Shipping were expected to count for 68% of the sulphur emissions, but in reality, shipping only counts for 37% at ports. The new & much lower numbers, are the result of a new investigation about ship's contribution to air pollution, produces by Danmarks Miljoundersogelser and the University of Aarhus, for the Partnership for Cleaner Shipping between the Danish Environmental Protection Agency & The Danish Shipowner's Assn. "The new investigation shows that shipping pollute the air in Denmark far less than expected - actually the assessment is that ship's contribution to sulphur pollution in Denmark now is half of, what has until now been expected", Troels Lund Poulsen, The minister of environment, says. The investigation is based on precise information of ship traffic in Danish waters, the ships' routes, the engine load & emissions combined with advanced models of spreading of air pollution.

*****Hanging On By Fingernails** as the embattled Israel-based ocean carrier Zim Line on Oct. 20, laid out a detailed debt restructuring that the company says will secure its short-term &

long-term financial future. Zim, like other liner carriers, has been hit hard by falling freight volumes & rock-bottom rates in the ocean transport industry this year, leading to projections by its parent company that the line could lose up to US\$1Bn through 2013. Analysts have suggested the line is precariously placed due to a substantial order book of new vessels & a shortfall in cash. However, the company's parent, Israel Corp., has been negotiating in recent months with lenders & shareholders to defer debt repayments and inject the line with short-term emergency financing to allow it to weather the current demand downturn in hopes that when the global economy recovers, Zim would as well. On Oct. 20, Zim said it would receive US\$500M in new financing from the company's existing banks in Israel & abroad. >>> Zim is hiking rates on shipments from Asia and the Indian Subcontinent to Europe and the Mediterranean. Beginning Nov. 1, westbound rates will rise by US\$150 per TEU. Last week, Zim also said it was raising rates on U.S. export shipments to Europe.

*****Hapag-Lloyd Goes Up** as it will implement a general rate increase on cargo moving from Latin America to Australia and New Zealand on Dec. 1. The German carrier said it will increase rates by US\$150 per TEU for cargo moving from South America, Central America, the Caribbean & Mexico.

*****Panama Canal Authority Goes "E"** as beginning Nov. 15, all laden vessels transiting the canal must declare their cargo through its electronic data collection system. The Panama Canal Authority said it has been "experiencing some difficulties due to incorrect or incomplete cargo information, mainly from vessels carrying containerized cargo." The authority warned that failure to submit accurate & timely information may result in transit delays, additional charges & possible fines.

www.pancanal.com/eng/maritime/edcs/index.html

*****Goodbye Greek Merchant Marine?** as its shipping industry has been left reeling by a newly elected center-left government's move to abolish a stand-alone ministry of merchant marine, a presence in Piraeus for more than 60 years.

*****Sunk?** as the U.S.-Flag Great Lakes fleet continued to struggle with slumping cargo demand in Sept. Shipments in U.S. bottoms totaled 7 million net tons, a decrease of 36.2% compared to a even a year ago. Loadings were down 39% compared to the month's 5-year average. The year-long slump in iron ore & limestone cargos continued in September. Loadings were off 57% & 15% respectively. The coal trade in U.S.-Flag lakers experienced one of its biggest drops of the season.

*****Battle of Long Beach Ends With Truce** as the American Trucking Assn. & Port of Long Beach have reached a settlement over the port's clean truck programs, but the trucking group said "litigation with the Port of Los Angeles will continue." "The Clean Trucks Program is one of the biggest steps we've taken to improve air quality, and I'm happy to see that the port and the ATA have resolved these legal issues so that we can move forward together," said Long Beach Mayor Bob Foster, in a statement. The ATA said its executive committee and the Port of Long Beach harbor commissioners have each approved a settlement that is based on a motor carrier registration process which will replace the port's concession agreement. The port & ATA said the new registration apparatus, which includes an agreement by carriers to provide the port necessary operating information, will allow the port to strictly oversee & enforce motor carrier's compliance with federal, state, and port safety, security, and environmental regulations. Motor carriers registering to operate at the port must agree to enter all truck & driver information into the port's drayage truck registry and equip each truck with a radio frequency identification tag or other technological device to allow the port to monitor & control truck entry into port facilities. In June, the Federal Maritime Commission withdrew a separate lawsuit and an administrative proceeding against the clean trucks initiatives at the Port of Long Beach & Port of Los Angeles. The Clean Trucks Program progressively bans older trucks, replacing them with newer trucks. Pre-1989 trucks are no longer allowed at the port and, beginning Jan. 1, 2010, 1993 and older trucks will be banned. By 2012, only trucks meeting the 2007 federal emission standards will be allowed to

operate at the port.

*****Following LBG?**as the Oakland Board of Port Commissioners has passed a strict ban, effective Jan. 1, on drayage trucks with engine year models earlier than 1994. Drayage trucks with engine year models between 1994 & 2003 have to be retrofitted with diesel particulate filters to enter Port of Oakland maritime facilities.

*****Port of Seattle Returns Home** as it is closing 5 int'l marketing offices and eliminating its Economic & Trade Development Office in an effort to bring its budget in line with falling revenues, port officials said. The port suffered a 13.6% drop in total box volumes in 2008 to 1.7 million TEUs. Volumes are down 16.7% through August to 980,000 TEUs, versus the same period last year.

*****New Container Line?** as organizers of a proposed new containership company hope to reveal details of their plans soon. What they call The Containership Co., said it was premature to give details about the new company, which has attracted wide interest because of involvement by John Fredriksen, the Norwegian shipping magnate who is chairman & CEO of Frontline Ltd., one of the world's largest tanker companies. A report in Lloyds List said the company is expected to provide port-to-port calls between connecting port pairs that most carriers do not provide. The Copenhagen-based company has said it wants to offer container shippers competitive, longer term fixed ocean rates.

*****Caught!** as a Greek shipping company will pay a US\$2.7M fine and is barred from having any vessels it owns or manages enter U.S. waters for the next 3 years under a plea agreement reached with the Justice Dept. Polembros Shipping Ltd., a ship management company with a 20-vessel fleet, pleaded guilty Sept. 30, in federal court in New Orleans, for violating anti-pollution laws, ship safety laws & making false statements during a U.S. Coast Guard investigation of the Theotokos, the Justice Dept. announced.

*****Cheaper Not Better?** as Maersk Line is reportedly seeking to replace 170 Danish officers who work on containerships with foreign employees from Asia. Reports say Maersk is targeting junior officers, and keeping Danish masters and senior officers on many of the ships. This might make it difficult in the future to replace those senior officers with Danes.

*****U.S. Congress Passes Passenger Bill** as the Cruise Vessel Safety & Security Act of 2009, included in H.R. 3619, the Coast Guard Reauthorization Act of 2010, requires cruise lines to report all crimes aboard cruise ships to both the U.S. Coast Guard & the FBI.

*****Can't Make It Up** as Tampa's new fire & **rescue** boat ran aground Oct. 19, while the manufacturer was delivering her. The vessel was still the property of Metalcraft Marine when it ran aground near St. Augustine. A tugboat pulled her free & there was no damage.

www.tampabay.com/news/publicsafety/fire/tampas-new-fire-boat-freed-after-running-aground-near-st-augustine/1038928

*****Throughput >>> APL Ltd.** handled 205,700 40-foot-equivalent units of containers in the 4-week period ending Sept. 18, 1% more than in the same period last year. >>> Containerized cargo volume through **India's** 12 major government-run ports dropped 6% in the country's 1st half (April to Sept.) to 3.32 million TEUs, compared to 3.55 million TEUs in the same period in 2008. >>> **Egypt** saw 5.4 million TEUs of container trade in 2008, but officials foresee a tripling of containers by 2025. >>> **Port of Seattle** volume is down 16.7% through Aug. to 980,000 TEUs, versus same period last year.

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

1797 - Launching of [USS Constitution](#) at the Charlestown Navy Yard, Boston, Massachusetts. Now the oldest commissioned ship in the U.S. Navy.

1824 - U.S. schooner [Porpoise](#) captures 4 pirate ships off Cuba.

1843 - Capt Robert Stockton in [Princeton](#), 1st screw propelled naval steamer, challenges British merchant ship Great Western to a race off New York, which [Princeton](#) won easily.
1853 - English ship [Western World](#) grounded off Spring Lake, New Jersey, during a gale with 600 persons on board. Everyone rescued.
1863 - Confederate David seriously damages [USS New Ironsides](#) with a spar torpedo off Charleston, South Carolina.
1944 - Battle of Leyte Gulf, a series of separate battles, begins with attacks on Japanese ships. U.S. 7th Fleet lands more than 60,000 Army troops on Leyte, Philippines, while Japanese aircraft attack.
1947- U.S. Coast Guard cutter [Bibb](#) rescued 62 passengers & 7 crew of the transatlantic flying boat [Bermuda Sky Queen](#) in mid-Atlantic in one of the most dramatic rescues undertaken by the Coast Guard in open ocean.
1957 - [USS Lake Champlain](#) reaches Valencia, Spain to assist in flood rescue work.
1960 - Early in morning, [SS Alcoa Corsair](#) & [SS Lorenzo Marcello](#) collided near mouth of Mississippi River. [Lorenzo Marcello](#) suffered no casualties & proceeded to New Orleans. [Alcoa Corsair](#) had 8 fatalities, 9 injured, 1 missing & forced to beach with severe damage.
1983 - Terrorist bombing of Marine barracks at Beirut airport in Lebanon kills 241 members of the 24th Marine Amphibious Unit.

*****America's 1st Highway Turns 185 Years Old** as young America's most ambitious engineering project opened this month in 1825 -- allowing goods to flow from Lake Erie through New York state to the Hudson River. It was the Erie Canal, 363 miles long, 4 feet deep & 40 feet wide, with tow paths for mules to pull the barges along. The superhighway of its day, the Erie Canal opened up the Western Frontier and made New York City into the nation's number one port. Today, the canal's importance has shifted to recreation. America's waterways -- especially the Mississippi River -- carry an increasing amount of freight, totaling more than 2.5 billion tons each year.

www.eriecanal.org/

*****Old Ironsides** as the oldest commissioned warship afloat in the world, [USS Constitution](#), performed an underway demonstration for the 1st time in more than a decade to celebrate the anniversary date of her launch, Oct. 21, 1797. The last time 'Old Ironsides' spent a birthday at sea was in 1997, in celebration of her bicentennial. While underway, the ship fired shots from port & starboard saluting batteries in honor of the 16 states that comprised America when [USS Constitution](#) was launched in the late 18th century; one additional shot was fired in honor of the ship.

www.history.navy.mil/ussconstitution

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

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

www.cargolaw.com/presentations_casualties.html

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

www.cargolaw.com/gallery.html

See our new feature for Oct. 2009: "**Reefer Madness**" - **M/V Vega Gotland** - Oct. 2009
www.cargolaw.com/2009nightmare_vega-gotland.html

And >> "World's Most Stupid Pirates - Part Deux" - Oct. 2009
www.cargolaw.com/2000nightmare_singles.only.html#Stupid-Pirates2

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

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>>>>>>

American Free Enterprise - Dream Big U.S. Chamber of Commerce
www.freeenterpriseamerica.com/

Automated Export System (AES) Webinars In Nov. & Dec. 2006
www.census.gov/foreign-trade/aes/meetingsandpresentations/english-webinar-flyer-octnov2009.pdf

Buy Korea Trade Channel
www.buykorea.org/

Freight By Water In & Around The UK
www.freightbywater.org

Global Marketplace for Fresh Products
www.eFresh.com

How Simulation is Impacting the Design of Today's Marine Vessels
www.cd-adapco.com/applications/marine2.html

Int'l Right of Way Assn. Celebrates 75 Years of Building America
www.irwaonline.org/

Korea Customs Service
http://english.customs.go.kr/kcsweb/user.tdf?a=common.HtmlApp&c=1501&&page=/english/html/kor/facilitation/facilitation_01_01.html&mc=ENGLISH_FACILITATION_IMPORT

Moble Storage Industry Blog
<http://mobilestorageinsurance.blogspot.com/>

Protecting Intellectual Property Rights at U.S. Borders new U.S. Customs guidance on determining whether goods are counterfeit
www.cbp.gov/xp/cgov/newsroom/news_releases/10012009_4.xml
www.cbp.gov/linkhandler/cgov/trade/priority_trade/ipr/ipr_brochure_final.ctt/ipr_brochure_final.pdf

www.cbp.gov/linkhandler/cgov/trade/priority_trade/ipr/cpg_final_090306.ctt/cpg_final_090306.pdf

Report -- Connecting Egypt: Opportunities and Challenges in Freight Transportation & Logistics
www.apladvantage.com/form/egypt/

Seafarers Shore Access On Maritime Transportation Security Act
www.uscg.mil/announcements/alcoast/575-09_alcoast.txt

Transport Trackers
www.transport-trackers.com/

U.S. Agency for Int'l Development -- Food for Peace Title II Proposal Guidance & Program Policies - Fiscal Year 2010
www.usaid.gov/our_work/humanitarian_assistance/ffp/guide.html

U.S. Coast Guard Rescues Fishing Vessel Lucky Lady
http://cgvi.uscg.mil/media/main.php?g2_itemId=686232

U.S. Coast Guard Rescues M/T Krymsk With DC-3
http://cgvi.uscg.mil/media/main.php?g2_view=keyalbum.KeywordAlbum&g2_keyword=tank+ship+Krymsk+response+unified+command

U.S. Commercial Resources for Going Global
www.export.gov/tradeevents/

U.S. Commercial Service Korea
www.buyusa.gov/korea/en/

U.S. Customs - Buying & Selling Commissions
www.cbp.gov/linkhandler/cgov/trade/legal/informed_compliance_pubs/icp004r2.ctt/icp004r2.pdf

U.S. Customs - Classification: Apparel Terminology Under The HTSUS
www.cbp.gov/linkhandler/cgov/trade/legal/informed_compliance_pubs/icp057.ctt/icp057.pdf

U.S. Customs Proposes Amendments To Duty Drawback
<http://edocket.access.gpo.gov/2009/E9-24789.htm>

U.S. Customs Quota Book Transmittals
www.cbp.gov/xp/cgov/trade/trade_programs/textiles_and_quotas/qbts/qbt2009/

U.S. Customs Reg. For Foreign Repairs to American Vessels
<http://edocket.access.gpo.gov/2009/E9-25220.htm>

U.S. Customs Updated FAQ For Importer Security Filing (ISF)
www.cbp.gov/linkhandler/cgov/trade/cargo_security/carriers/security_filing/10_2faq.ctt/10_2faq.doc

U.S. Trade & Development Agency USTDA Consultant Database
www.ustda.gov/consultantdb/

Worldwide Consumer Issues
www.consumersinternational.org

PRODUCTS>>>>>>>>>

4PL Plus – Enabling Warehouse Management of Remote Facilities

www.3plcentral.com/

RTG Deployer calculates number of RTGs needed on the yard for next shifts based on terminals set target productivity taking planned & yet un-planned quay crane moves into account.

www.arl-shipping.com

The Yangtze River World Report everything you need to know about the Yangtze River Economic Region

www.yangtzeriverports.com/

EVENTS>>>>>>>>>>

Transport Events

www.transportevents.com/

Trade Shows, Exhibitions, Conferences & Business Events Worldwide

www.eventseye.com/

World Trade Organization Events

www.wto.org/english/news_e/meets.pdf

5th IATA Air Cargo Claims & Loss Prevention Conference Nov 3-5, Dallas

www.iata.org/events/cargo-claims/index.htm

7th European 3PL Summit Nov. 24-25 2009, Brussels

<http://events.eft.com/eu3pl/speakers.shtml>

10th Annual U.S. Customs Trade SymposiumDec. 8-10, Washington D.C.

www.cbp.gov/xp/cgov/newsroom/news_releases/09212009.xml

2009 East Coast Maritime (ECM) Conference Oct. 5 & 6, 2009, New Jersey

<http://guest.cvent.com/i.aspx?5S,M3,3799e6dd-3528-4420-a7f1-434d7836d925>

Air Cargo Americas Nov. 4-6, Miami, Fla.

www.aircargoamericas.com/

e-Navigation Conference 2009 ... Nov. 17-18, Bell Harbor, Seattle, WA -- Co-Leader is **Geoffrey Gill, Esq.** of the **Countryman & McDaniel** law firm

www.enavigation.org/

Europort 2009 ... Nov. 3-6 2009, Rotterdam

www.europort.nl

Freight By Water - UK Regional Seminar.... Nov. 10 & 11, Historic Naval Dockyard, Kent, UK

www.freightbywater.org/content/events_2009

Global Competitiveness & The Impact On U.S. Exports Nov. 3-5 Washington, DC.

www.deconference.com/

IANA'S Intermodal Expo Nov. 15 - 17, 2009, Anaheim, CA

www.intermodal.org/events_files/expo_files/index.html

Intermodal 2009 3-5 Nov. 2009, Feria Valencia, Spain

www.intermodal-events.com/

MARAD Approved Maritime Security Awareness Classes

<http://71.14.2.130/moodle/>

The Maritime Law Assn. of The United States Fall Meeting Nov. 3 - 7, 2009, Hilton Head, South Carolina

www.mlaus.org/content/ItemContent/979Events.pdf

Transportation & Logistics Council 36th Annual Conference April 18 - 21, 2010, San Diego, CA

www.tlcouncil.org

U.S. Customs "10 + 2" Outreach Events Scheduled in 2009

http://cbp.gov/xp/cgov/trade/trade_outreach/09_outreach_schl.xml

Washington Union Station's Centennial Celebration

<http://newsroom.dc.gov/show.aspx/agency/ddot/section/2/release/15040>

World Response Conference on Global Outbreak (WRCGO - 2009: H5N1 + H1N1 Flu)

Nov 12-13, 2009, Las Vegas

<http://wrcgo.eve-ex.com/>

General Interest>>>>>>>>>>

Aviation Warehouse

<http://aviationwarehouse.net/>

Artery Tour ... yours

www.crestor.com/c/home.aspx?source=1125&utm_source=TV&utm_medium=TBV&utm_campaign=arterytourTV

Bad Astronomy

www.badastronomy.com/index.html

Battle For Milkquarrious

www.milkquarrious.com/

Biking Around South America For Climate Change

www.treehugger.com/files/2009/10/one-man-one-mission-and-12000-km-on-a-bike.php?dcitc=th_rss_travel

Buffalo Airways daily operations in a DC-3.

www.buffaloairways.com/

British General Deals With Cell Phone

http://news.bbc.co.uk/2/hi/uk_news/8181215.stm

LED Umbrella

www.coolest-gadgets.com/20091024/led-umbrella/

Malibu Digital Drink Mixer

www.coolest-gadgets.com/20091024/malibu-digital-drink-mixer/

Ship Simulator Professional v2.0

www.shipsimpro.com/

Sterling Rail

www.SterlingRail.com

Where Is H1H1 Vaccine Distributed? check your area

http://maps.google.com/maps/ms?ie=UTF8&hl=en&msa=0&msid=100722445725285272419_00047672c20931d4ce61e&ll=45.274886,79.189453&spn=40.814769,99.404297&source=embed

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

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

*****In The Wake** as this month we continue with a more humorous side of maritime law from **Geoffrey Gill, Esq.** at **Countryman & McDaniel**. **Geoff** writes about official maritime legal cases -- this month the sea spirits for **Halloween**:

There are times at sea when only spirits can explain maritime incidents. If courts in collision cases accepted the testimony offered on behalf of the ships, they would often be found to have passed well clear of each other. Courts have judicially recognized this loyalty of officers, crew, and even passengers, to "stand by" their ship and give testimony favorable to its litigation position. See Griffin, "*The American Law of Collision*," 625 (1949). But could there be spirits involved?

This support of a vessel's navigation by a ship's company can take strange & mysterious twists. When the **Seiryu** collided at sea with the freighter **Stenna**, officers of the **Seiryu** could offer no rational explanation for their ship's sudden turn to port across the other ship's course line. "Their only commentary was that the watch officer must have been possessed by demons or evil spirits." *In re Seiriki Risen Kaisha, American Maritime Cases* 913 (S.D.N.Y. 1986). We don't make this up.

In another "spiritous case" in my own personal experience, a large, modern oceangoing bulk carrier had stranded on the South African coast. Since the vessel was provided with up-to-date equipment & operated by properly licensed officers, there was no ready explanation for the casualty. But in a deposition, the ship's master opined that the "spirit" of the ship's chief officer, who recently had expired on board, must have caused the stranding in pique for the ship having sailed before he was properly interred. Counsel representing the ship's interest decided not to test this "defense" under COGSA, section 1304(q), which provides exemption from liability for "any other cause arising without the actual fault and privity of the carrier," and the case was settled before trial.

There is no more mysterious place than the sea.

Geoffrey W. Gill, Esq is a graduate of **Fordham University School of Law, United States Merchant Marine Academy and United States Naval War College**. He is a licensed **Master & practices maritime hull & yacht litigation in California, Florida & New York at the Law Offices of Countryman & McDaniel**.

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The Shipping Corporation of India Ltd. v. Jaldhi Overseas PTE LTD

2nd Circuit U.S. Court of Appeals

Oct. 2009 - 08-3477-cv

New York Intermediary Banks Breath a Sigh of Relief.....as the 2nd Circuit ruled on 16 October 2009 that funds being processed by an intermediary bank are not property subject to attachment under U.S Federal Rules of Admiralty ("Rule B"). In the course of international trade, the originator and beneficiary often have accounts in different banks, thereby necessitating the use of an intermediary bank through which the funds momentarily pass. New York banks host the majority of such international transfers. Under the prior authority, *Winter Storm Shipping, Ltd. v. TPI*, 310 F.3d 263, 278 (2d Cir. 2002) and progeny of case law, now overruled, plaintiff lawyers

could seize the funds as they electronically passed through the intermediary banks, even though the parties and transactions had no relationship with New York or with the intermediary banks. The practice became so widespread that between Oct. 1, 2008 & Jan. 1, 2009, maritime plaintiffs filed 962 lawsuits seeking to seize a collective US\$1.35Bn, constituting 33% of all lawsuits filed in the Southern District of New York. As a result, both the federal courts and international banks suffered tremendous strain; the advisability of using the U.S. dollar in int'l transactions came under question. The *Jaldhi* decision erodes a sector of the New York maritime plaintiffs' bar which had developed an aggressive niche of attachment practice. While the concept of attachment was to protect a plaintiff by attaching assets in case a ship might set sail quickly, those lawyers sought attachments of funds before the defendant's property even entered the district, often based only on the speculative possibility the defendant might engage in a financial transaction.

[Kawasaki Kisen Kaisha \("K" Line\) v. Regal-Beloit Corp.](#)

Union Pacific Railroad Co. v. Regal-Beloit Corp.
Certiorari Granted By U.S. Supreme Court : 20 Oct. 2009
9th Circuit U.S. Court of Appeals
Nos. 08-1553, 08-1554 (Consolidated)
Court Below: 557 F.3d 985 (9th Cir. 2009)

Interstate Commerce - The U.S. Supreme Court will now decide whether the Carmack Amendment of the Interstate Commerce Act of 1887 applies to the "inland" leg of an int'l, multimodal shipment under a "through" bill of lading. Regal-Beloit & other plaintiffs contracted with "K" Line to ship Regal-Beloit's goods. Kawasaki issued a bill of lading to cover the goods from China to various U.S. destinations. Kawasaki shipped the goods from China to Long Beach, and "K" Line subcontracted with Union Pacific to transport Regal-Beloit's goods from Long Beach to their U.S. Midwestern destinations. Union Pacific's train derailed in Oklahoma & caused damage to Regal-Beloit's goods. The district court granted "K" Line's Motion to Dismiss because the contractually agreed-upon Carriage of Goods by Sea Act (COGSA) trumped the Carmack Amendment. However, the appellate court reversed. First, the appellate court relied on precedent to show the Carmack Amendment trumps COGSA unless the contracting parties properly opted out of Carmack. The appellate court then concluded that 49 U.S.C. § 10502 contains the requirements for opting out of the Carmack Amendment, prompting a remand.

<http://caselaw.lp.findlaw.com/data2/circs/9th/0656831pv2.pdf>

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

[The Cargo Letter Correspondents:](#)

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

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(since 1978)

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Michael S. **McDaniel**, Editor.

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