

=====  
**Law Offices of Countryman & McDaniel**  
**THE CARGO LETTER [471]**  
 Air & Ocean Logistics - Customs Broker News  
 30 November 2010  
 =====

Good Sunday evening from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**" Here is November 2010.

We are 5 days late with this edition and apologize

**McD**

To help you find what you need -- **FAST** -- there is 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, hull & machinery attorneys at LAX.

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

=====

\*\*\*\*\*

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

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

**\*\*\*Spending On Transportation Equipment Is Up 60% in 2010** .....as the U.S. economy has begun the process of rebalancing away from excessive reliance on consumer spending and housing activity towards growth spurred by investment and exports, according to a quarterly economic forecast from the Manufacturers Alliance/MAPI. The outlook for spending on transportation equipment is for robust 60.3% growth in 2010, 22.7% in 2011, and 23.1% in 2012. Spending on non-residential structures will decline through 2011 before advancing in 2012. This GDP expenditure category is expected to fall by 13.8% in 2010, and decrease by 3.5% in 2011, before reversing course to 6.4% growth in 2012. Exports & imports will both see gains. Inflation-adjusted exports are anticipated to improve by 11.5% in 2010, by 7.8% in 2011 and by 8.7% in 2012. Imports are expected to grow by 13.2% in 2010, by 6.1% in 2011 and by 4.5% in 2012.

MAPI forecasts overall unemployment to remain high, averaging 9.7% in 2010, 9.5% in 2011 and 8.9% in 2012. Manufacturing is expected to see a hiring increase with the sector forecast to add 131,000 jobs in 2010, 275,000 jobs in 2011, and 300,000 jobs in 2012. The price per barrel of imported crude oil is expected to average US\$76 in 2010, before heading to US\$83 per barrel in 2011 and to US\$88.50 in 2012.

[www.mapi.net/Pages/Information.aspx](http://www.mapi.net/Pages/Information.aspx)

**\*\*\*UPS' Davis: Increased Trade Key To Recovery .....** a UPS' top official told a business gathering, "global trade is the quickest and surest way to accelerate global growth, create new jobs and improve living standards." Scott Davis, UPS's chairman & CEO, said, "We'll have to regain prosperity the old fashioned way, not by household borrowing and spending but instead by earning it through innovation, increased production and aggressive marketing in other countries." More than 95% of the world's potential customers are located outside the U.S., Scott said at the Americas Competitiveness Forum in Atlanta. "Frankly, given the massive scale of this world economy, I'm astonished that U.S. businesses aren't more vocal in demanding better access to this huge wave of global consumers." Davis, a member of President Obama's Export Council, expressed deep concern about Congress' failure to approve negotiated trade agreements with South Korea, Colombia and Panama, which the U.S. Chamber of Commerce said has cost some 380,000 U.S. jobs at a time when there is 9.6% unemployment.

**\*\*\*European Customs Advance Manifest Rule Begins Jan. 1, 2011 .....** as with the U.S. 24 hour rule, this regulation strives to provide the Member States (MS) of the European Union (EU) sufficient time to perform security risk assessment and report the results of such assessment back to the carriers. An Entry Summary Declaration (ENS) is required for all cargo onboard a vessel that will enter a port in the EU. This includes cargo for discharge at the first or subsequent ports in the EU, Freight Remaining Onboard (FROB) for destinations beyond the first EU port of call, all transit or transshipment cargo for both EU and non EU destinations.

**Quick Reference Guide:**

[www.maerskline.com/globalfile/?path=/pdf/EU\\_Customs\\_Advance](http://www.maerskline.com/globalfile/?path=/pdf/EU_Customs_Advance)

**\*\*\*UK Customs Crackdown .....** as its power to prosecute 3rd party logistics operators who handle goods illicitly diverted from a bonded supply chain with stiff penalties could cripple truckers and warehouse operators, said the UK Warehousing Assn. (UKWA). In a bid to tackle alcohol fraud HM Revenue & Customs (HMRC) now can impose up to 100% of duty on goods if the 3PL knowingly handled the goods, and seize goods, said the warehouse association in a statement, reported London's Int'l Freighting Weekly.

[www.ukwa.org.uk/](http://www.ukwa.org.uk/)

**\*\*\*Time To Privatize? .....** as the U.S. Postal Service lost US\$8.5Bn in its fiscal 2010, more than twice the loss of the last year, Bloomberg reported. It lost US\$3.8Bn last year, Bloomberg said. USPS said that US\$5.5Bn of the loss was due to health-benefit costs for future retirees. Adjustments to workers' compensation liabilities accounted for US\$2.5Bn. Revenue decreased 1.5% to US\$67.1Bn and mail volume fell 3.5%, Bloomberg said. Postal officials said that without "additional structural change," the agency might need to exceed its US\$3Bn annual borrowing limit or its US\$15Bn debt limit. USPS' loss for fiscal 2011 will be US\$6.4Bn, said Joseph Corbett, CFO.

**\*\*\*U.S. Surface Transportation Board Candidates Sought .....** as nominations are needed to fill two vacancies on its 19-member Railroad-Shipper Transportation Advisory Council (RSTAC). The council was established by the 1995 ICC Termination Act to advise the STB chairman, transportation secretary, and Senate Commerce and House Transportation and Infrastructure committees on rail transportation policy issues. Suggestions for members to fill the two vacancies should be submitted to the STB in letter form by Dec. 13, identifying the name of the candidate and the available council position sought.

<http://edocket.access.gpo.gov/2010/2010-28797.htm>

**\*\*\*Slow Roll Back Up** ..... as the Assn. of American Railroads (AAR) recently released the figures that rail carloads improved 8.7% in Oct. year on year to 299,108 carloads, marking the highest point since Oct. 2008, though still down 7.9% from that peak.

**\*\*\*China's Appetite Grows** ..... as diesel fuel shortage in two mainland China provinces is hitting the trucking industry there, according to a notice from Hellmann Logistics. The shortage is acute in some areas of Zhejiang and Jiangsu provinces, according to the note. "Some gas stations have no diesel fuel and some allow (a maximum of 200 liters) to trucks 5 tons and above," Hellmann said. "We hope this situation will not last long, but the chance is that the total transit time (especially for shipments with long inland transportation involved) could be affected."

**\*\*\*Restricting Tech Tools** ..... as recent suggestions that China may slash its exports of rare earth metals has many importing countries looking for new sources and questioning whether the trade restrictions would be WTO compliant. Rare earth elements, such as scandium, yttrium, and cerium, are crucial for the production of many everyday technological products as well as green technologies in fast-growing sectors such as hybrid cars, solar panels & windmills. Over the past 2 months, reports that China had cut off rare earth exports to Japan, the U.S., and the EU caused prices to spike. Reports in Chinese state-run news outlets claiming that Beijing wanted to slash 2011 export quotas by almost a third has done little to yield importers' anxieties.

**\*\*\*Truck Output To Jump** ..... as production in North America could climb more than 50% next year due to an aging U.S. truck fleet, Bloomberg reported Nov. 19. Fleet owners could hike production as much as 56% as they refresh the oldest fleet in 31 years, which could help boost both truck makers & component suppliers, Bloomberg said. Class 8 output may reach as many as 235,000 units next year from an estimated 151,000 this year, market forecaster ACT Research Co., told Bloomberg. The Federal Highway Administration is predicting that U.S. freight tonnage will increase 1.6% a year to 27.1 billion tons by 2040 compared to 18.6 billion tons in 2007.

**\*\*\*Product Miniaturization May Tamp Down Need For Bigger Trucks** ..... as despite an industry plea to raise the U.S. federal limits on truck weights to 80,000 pounds, the campaign is losing momentum because product miniaturization, says one American trucking giant. Wisconsin-based Schneider National CEO Christopher Lofgren, a long-standing supporter of bigger trucks, told an industry conference that miniaturisation of electronic components such as mobile phones, and in the reduction of component size smaller packaging meant there was less need to press for heavier vehicle. He reported that his company had a 35% reduction in truckload volume because of package reduction.

**\*\*\*Owner Operators OK For Now** ..... as the American Trucking Associations' (ATA) legal challenge to the Port of Los Angeles' Clean Truck Program will remain in legal limbo until late spring or summer, reports TruckingInfo. The U.S. Court of Appeals for the 9th Circuit said there was no need for an expedited hearing because last month's preliminary injunction prohibits the port from banning independent owner-operators - 90% of the total - and closing to port to all but employee truck drivers. The ban is favored by environmental groups because larger companies are more likely to meet the rising demands of the incoming clean air regulations -- and by the Teamsters union because larger trucking companies are more likely to provide members than owner operators.

[www.truckinginfo.com/news/index.asp](http://www.truckinginfo.com/news/index.asp)

**\*\*\*UPS Logistics Technologies Sold** ..... as this UPS unit has gone to Thoma Bravo, a private equity investment firm. The Baltimore-based subsidiary employs about 145 people and creates transportation routing and fleet management systems. More than 200,000 vehicles are managed through 3,300 installations worldwide representing a variety of industries. The deal is expected to be completed by year end, and the name will be changed to Roadnet Technologies. The Roadnet brand is used for the company's main products and is familiar to customers, resellers and vendors. Dave Barnes, UPS's chief information officer, said the decision

to sell the business was "based on UPS' desire to focus on the development of technology directly tied to our own global package and freight networks and contract logistics services."  
[www.upslogisticstech.com/](http://www.upslogisticstech.com/)

**\*\*\*FedEx Expands In India** ..... as it has acquired the logistics, distribution and express businesses of AFL Pvt Ltd in India and its affiliate, Unifreight India Pvt Ltd, for an undisclosed amount. Package delivery firm AFL WiZ Express maintains a network of more than 160 service centers for more than 5,000 ZIP codes across 144 cities in India.

**\*\*\*FedEx Trade Networks Expands** ..... as the int'l ocean & air freight forwarder unit has opened an additional 5 offices in the Europe, Middle East and Asia (EMEA) region as part of its expansion plan. The office openings include operations in Budapest, Hungary; Prague, Czech Republic; Madrid, Spain; Milan, Italy; and Antwerp, Belgium.

**\*\*\*Wine Logistics Consolidates In Sweden** ..... as specialist JF Hillebrand said it has strengthened its capability to provide dedicated wine & beverage logistics services in Sweden with the acquisition of Stockholm-based Lagena Distribution AB, Sweden's leading distributor of alcoholic beverages. Since its formation in 1994, Lagena has been a wholly owned subsidiary of Systembolaget AB, the Swedish alcohol retail monopoly. In April 2010, Systembolaget's board decided to sell Lagena, as part of an effort to focus on core operations. JF Hillebrand has a global network founded in 1844 & headquartered in Mainz, Germany, that moves about 1.4 billion cases of wine annually. It employs 1,650 people in 46 offices around the world.  
[www.jfhillebrand.com/](http://www.jfhillebrand.com/)

**\*\*\*Panalpina Buys Agent** ..... as the Swiss freight forwarder has acquired its long-time Australian partner Apollo Forwarding to expand its reach in the Oceania region. Panalpina has worked with the Adelaide, South Australia-based firm for more than a decade.

**\*\*\*Mallory Alexander Int'l Logistics Buys** ..... as it has acquired Charleston, S.C.-based freight forwarder Tradesource Inc. from Atlantic Services Group. Terms of the deal were not disclosed.

**\*\*\*Less Yellow** ..... as YRC plans to close 31 terminals in the Midwest, South & East, ratcheting back its total terminal network to about 320 facilities. The less-than-truckload carrier identified the terminals in a proposed change of operations filed with the Int'l Brotherhood of Teamsters Nov. 12. The terminal closings would eliminate 186 linehaul driving jobs and 261 local cartage jobs, though other terminals would gain road and cartage driving jobs. YRC Worldwide sold US\$36M in excess property in the third quarter, when it reported a US\$62M net loss on US\$1.13Bn in revenue.  
[www.yrcw.com/](http://www.yrcw.com/)

**\*\*\*Another InterClaims Outsource** ..... as the [Countryman & McDaniel](#) business unit -- [International Claims Bureau Inc. \(InterClaims\)](#) -- has announced its recent appointment as third-party administrator for another major international freight forwarder. [Interclaims](#) provides claims handling and commensurate services for customs brokers & freight forwarders both nationally and internationally with reduced forwarder costs, removal of HR concerns, enhanced field feedback for local branches and unique customer support for the forwarder. Along with expert attorney oversight, [InterClaims](#) is the proper claims solution for 3PLs seeking a better business risk model.  
[www.InterClaims.com](http://www.InterClaims.com)

**\*\*\*Brink's Company Buys In Country On The Brink** ... as the security-related service company has acquired Servicio Pan Americano de Proteccion, S.A. de C.V. ("SPP") for approximately US\$60M. SPP is the largest secure logistics company in Mexico, with annual revenue of US\$385M. Mexico's CIT (cash-in-transit) market is the 5th largest in the world, with

total revenue estimated at US\$900M. SPP has approximately 12,000 employees, 80 branches and 1,350 armored vehicles across its nationwide network of CIT, ATM and money processing operations. Brink's, which has owned a 21% stake in SPP since 1965, acquired approximately 79% of SPP from a consortium of multinational banks through its existing Mexican ownership structure. In compliance with Mexican law, 0.25% of SPP will continue to be owned by a Mexican company.

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

## Support Our Troops: Christmas Boxes for the Troops

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

=====

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

**\*\*Agility.** DOWN with a year-on-year 66% decline of profit in 3rd quarter to US\$49M because of loss of U.S. Army logistics as U.S. troops withdraw from Iraq.

**\*\*Air France-KLM.** UP as it returned to profitability with a 3rd quarter net profit of US\$391M, wiping out last year's same-quarter loss of US\$200.9M.

**\*\*Cathay Pacific Airways.** UP with consolidated profit for 2010 of US\$1.61Bn.

**\*\*Ceva Logistics.** UP as 3rd quarter financial results show revenue up 32% year on year to a record US\$1.7Bn.

**\*\*DHL.** UP as 3rd quarter earnings before interest and tax, excluding exceptional items, rose by 43.7% to US\$741.6M.

**\*\*Hapag-Lloyd.** UP with 3rd quarter operating profit of US\$358M, a massive swing from the US\$250.7M it lost in the same period in 2009.

**\*\*AP Moller Maersk group.** DOWN with a 3rd quarter profit loss of US\$700M.

**\*\*Safmarine.** UP with US\$186M in net profit in the first three quarters of 2010 on revenue of US\$2.4Bn.

**\*\*Seacube Container Leasing.** UP as net profits of US\$4.8M in 3rd quarter of 2010, double from a net profit of US\$2.7M in same quarter last year.

**\*\*Textainer Group Holdings Ltd.** UP 137% with 3rd quarter net profit increase of US\$33.3M, a benefit from the worldwide shortage of containers.

**\*\*Torm Line.** DOWN with a loss before tax of US\$20M for Q3, compared to a profit of US\$4M in the same period of 2009.

**\*\*Trailer Bridge Inc.** DOWN as 3rd-quarter income fell to US\$6,876, or zero cents per share, from US\$1.7M, or 14 cents, a year ago

**\*\*Wilh. Wilhelmsen Holding ASA.** DOWN with a net loss of US\$27.8M compared to net profit of US\$30.1M in the third quarter of 2009.

=====

\*\*\*\*\*

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

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

**\*\*\*Full Screening of All Packages On All-Cargo Aircraft** ..... as proposed in Congress would be impractical and highly difficult to implement, Homeland Security Secretary Janet Napolitano said in an interview with Bloomberg Television. A call for 100% screening is "an easy thing to say, but it's probably not the best way to go," Napolitano said. "Cargo is infinitely more complicated and comes in infinitely more shapes and sizes" than passengers. U.S. passenger airlines recently met a deadline for screening 100% of the cargo on passenger aircraft, but shipments on all-cargo aircraft are exempt from that requirement. Napolitano, interviewed on the "Political Capital With Al Hunt" program, said the complications stretch from the ability to screen the millions of shipments parcel carriers get from retail customers to the varying cargo security programs in place around the world.

[www.bloomberg.com/news/2010-11-19/u-s-screening-all-airline-cargo-not-feasible-napolitano-says.html](http://www.bloomberg.com/news/2010-11-19/u-s-screening-all-airline-cargo-not-feasible-napolitano-says.html)

**\*\*\*EU Lowers The Price Fixing Boom** ..... as the European Union on Nov. 9 fined 11 airlines US\$1.1Bn for their role in a global cartel that colluded to fix air cargo rates. Air France-KLM, Europe's biggest cargo airline, was hit with the largest fine of US\$476M while British Airways has to pay US\$145.6M and Singapore Airlines US\$104.7M. The announcement of the fines brings to a close a 4 year investigation that began with dawn raids on airline offices on both sides of the Atlantic. The 11 airlines "coordinated their action on surcharges for fuel & security without discounts," between 2000 & 2006, the European Commission, the EU's executive said. The cartel "would have continued" had the Commission not intervened, EU competition commissioner Joaquin Almunia said. As to the others sharing the US\$1.1Bn fine:

- Cargolux, US\$111M
- SAS US\$97M
- Cathay Pacific Airways, US\$79M
- Japan Airlines, US\$50M
- Martinair, US\$41M
- Air Canada, US\$29M
- Qantas, US\$12M
- LAN Chile, US\$11M

**\*\*\*BA Spared Further Indignity** ..... as a London court handed British Airways a key victory Nov. 18, in a civil suit against the airline over cargo price fixing, ruling the case cannot go forward as the UK equivalent of a class action lawsuit on behalf of some 200 freight customers. Two flower shippers, Emerald Supplies and Southern Glass House Produce, wanted to include a broad array of fellow shippers in the case, arguing they all suffered financial losses from the airline's involvement in a global cartel between 2000 & 2006. But a British appeals court said the lawsuit cannot represent a group of direct or indirect customers because "there is no way to know if they had the same interest in the case," according to reports. The ruling means shippers who claim damages will have to sue individually for compensation. The airline pleaded guilty in 2007 to price fixing as part of a global cartel between 2000 & 2006, and was fined US\$300M by the U.S. Dept. of Justice. As above, the European Commission, after performing their own 4-year investigation, fined BA, along with 10 other airlines, for its role in the cartel and imposed a US\$145.6M fine.

**\*\*\*German Security Crack Down** .... as authorities have withdrawn licences from three companies incapable of meeting the country's air cargo security standards in the wake of a foiled terrorist bomb plot on two cargo planes, reported The Associate Press. The purge is aimed at cleaning up the industry, which is concerned it may be brought under costly police supervision if it cannot get its house in order, reported Deutsche Press-Argentur. Government inspection of all freight would drastically increase transport costs. German Transport Minister Peter Ramsauer said the nation has tightened checks and controls on the nation's "cargo chain" that includes not only shipping firms, but also companies that regularly ship goods for export. The Transport Ministry said the checks also found inadequacies at 20 companies, including guards who could not produce training certificates and bills of lading not properly filled in. They were given deadlines to fix problems or lose operating licences.

**\*\*\*TIACA Favors No Paper** ..... as the Int'l Air Cargo Assn. (TIACA) has labeled a decision by the World Customs Organization's (WCO) to work towards a paperless environment for air cargo shipments as a "significant step forwards." The WCO committee aims to conduct a survey, among its member administrations and partner organisations, to list the top priority documents to be automated. It would also discuss measures to promote the use of digital signatures, as well as initiate talks on the end-to-end management of electronic documents with other international organizations.

**\*\*\*HKG & Mainland In 1st Cargo Venture** ..... as Cathay Pacific Airways & Beijing-based Air China's joint air cargo venture is to launch on during Dec. 2010, reports Bloomberg. Cathay Pacific will deploy four B747-400s for this business and is optimistic about cargo passenger

demand in the next quarter as economic growth drives travel & exports in China, said the airline's chairman Christopher Pratt in Hong Kong. Cathay Pacific has surpassed Korean Air Lines as the **world's largest global air cargo carrier** this year, according to Bloomberg. Freight volumes at Cathay Pacific leapt 20% in the first 10 months of the year, thanks to the growing trade volumes between China and Europe and the U.S. Both airlines are stakeholders of each other. The airline owns 19% of Air China, the country's largest int'l carrier, while the latter owns 30% of Cathay Pacific.

**\*\*\*UPS & FedEx Brace For The Tidal Wave ....** as the two biggest U.S.-based express carriers, announced what they expect to be the busiest shipping days of the holiday season. According to a statement, UPS expects to deliver 24 million packages on Wed., Dec. 22 alone. The average daily volume for the parcel delivery company is 15.1 million packages. The company also announced it plans to hire 50,000 temporary employees to help with the holiday rush. FedEx announced they anticipate Dec. 13 will be that company's busiest shipping day, expecting to deliver 16 million packages that day, which would be a new one-day record for the express company. FedEx, which normally delivers about 6 million packages a day, expects to handle more than 223 million shipments over the holidays, while UPS expects to handle 430 million during the same period.

**\*\*\*Qantas A380 Back In The Air - LAX Flights Remain Cancelled .....** as a flight carrying more than 450 passengers, including the airline's chief executive, took to the skies Nov 26 in the first flight by one of its superjumbos since a midair engine explosion three weeks ago triggered a global safety review. Qantas grounded its six A380s after a Rolls-Royce Trent 900 engine on one of the superjumbos disintegrated shortly after takeoff from Singapore on Nov. 4, sending shrapnel slicing through a wing and causing multiple problems for the pilots before they managed to safely land the jetliner back in Singapore. Investigators say leaking oil caught fire in the engine and heated metal parts, causing them to disintegrate. Experts say chunks of flying metal cut hydraulics and an engine-control line in the wing of the A380, causing the loss of control of a second engine and loss of some braking power, fuel leaks and more than 50 on-board warnings. The Nov. 26 flight used a reduced thrust setting. Qantas has suspended A380s from its longest-haul flights - from Australia direct to Los Angeles - while it tests whether extra thrust for takeoff on these routes creates too much stress on the engines.

**\*\*\*Ethiopian Airlines Rules Africa ....** as it is said to have flown 87% of the 44,000 tons of freight moved by all 32 members of the African Airlines Association (AFRAA). According to local media a survey of 22 airlines carrying freight in Africa showed 560,000 tons were moved in 2009 with almost 75% of it being carried by Kenya Airways, EgyptAir, South African Airways and Ethiopian Airlines, reports the UK's Handy Shipping Guide. The carrier recently took delivery of the 1st of five 777-200LR's on order from the Boeing Co.

**\*\*\*Can Brazil Meet The Standard? .....** as it's overburdened airports cannot meet demand and are a "growing disaster" that could embarrass the country during the upcoming Olympic games and World Cup if they aren't improved, the head of the world's top airline association said. The language used by Giovanni Bisignani, CEO of the International Air Transport Association, to describe Brazil's overwhelmed airports at an industry conference Thursday was some of the harshest criticism yet leveled at the nation on the topic. "Brazil is Latin America's largest and fastest growing economy but air transport infrastructure is a growing disaster," he told industry leaders at a meeting of the Latin American and Caribbean Air Transport Assn. in Panama. The organization represents 230 airlines around the world. "To avoid a national embarrassment, Brazil needs bigger and better facilities for the 2014 FIFA World Cup and the 2016 Olympics," Bisignani said. "But I don't see progress and the clock is ticking. The time for debate is over." Brazil's robust economic growth has resulted in increased demands on air travel. Thirteen of the country's 20 largest domestic airports cannot accommodate existing demand, and the situation is critical in Sao Paulo, South America's biggest int'l hub, Bisignani said.

**\*\*\*Towne Air Freight Acquires** ..... as HBI Freight, one of the largest full-service air cargo & home delivery trucking companies on the eastern seaboard. Towne will integrate HBI into its nationwide airport to airport service, strengthening its air and ocean freight carrier position. HBI brings nearly 200 employees and widespread pick up and delivery service into the coast-to-coast trucking network. Newly added facilities in Harrisburg, Pa., Norfolk, Va. and Richmond, Va., will bolster both linehaul and local cartage coverage throughout the mid-Atlantic states. Towne will now own facilities in the major airport markets of Baltimore, Washington, D.C., and Raleigh-Durham, N.C., which were previously served by an agent.  
[www.hbifreight.com/priority-freight.html](http://www.hbifreight.com/priority-freight.html)

**\*\*\*Pan American Airways Rebirth?**..... as an iconic name in the airlines service will fly again from Brownsville, Texas, with an air cargo focus. The reborn Pan American will be based at Brownsville-South Padre Island Int'l Airport. At the outset, the airline plans to deploy as many as 70 flights a month from Brownsville to various Latin American destinations starting the 1st quarter 2011. Passenger flights from Brownsville to three Mexican locations are being considered.  
[www.panamericanairways.net/](http://www.panamericanairways.net/)

**\*\*\*More Boeing 787 Woes**..... as a jetliner on a test flight over Texas made an emergency landing Nov. 9, after smoke was detected in the main cabin, the latest setback in development of the new plane. The plane landed safely in Laredo and the crew was evacuated, Boeing said. Boeing is still gathering information about the incident. The flight originated in Yuma. The 787, which Boeing calls the Dreamliner, is made of composite material designed to make it lighter and more fuel-efficient, but Boeing has run into a series of delays in developing the big, two-aisle passenger plane.  
[http://en.wikipedia.org/wiki/Boeing\\_787](http://en.wikipedia.org/wiki/Boeing_787)

**\*\*\*Volumes >>>** ALL Nippon Airways is in a 13th consecutive month of growth in int'l cargo volumes of 32.6% to 42,007 tons. >>> Frankfurt airport cargo traffic up 15.8% from a year ago to an all time monthly record of 206,085 metric tons of freight in Oct., topping the previous monthly peak of 204,332 metric tons in May 2010. >>> **LAX**, Los Angeles Int'l Airport, has posted a 13.3% 3rd quarter cargo increase to 483,565 tons against 426,772-tons in 2009. >>> **Singapore Changi Airport** moved than 162,400 tons of air cargo in Oct., up 5.2% year on year, and representing a Jan. to Oct. increase of 13% to 1.5 million tons and aircraft movements were up 7.2% to 22,488 in Oct.

**\*\*\*No FAA Action For Aerial Teepee**..... as the Federal Aviation Administration won't take any action against a New Jersey pilot who tossed rolls of toilet paper from a small plane onto an athletic field as a test run for a streamer drop at an upcoming high school football game. FAA spokesman Jim Peters told The Record of Woodland Park on Nov. 19, that the agency investigated but found no grounds for further action against pilot Warren Saunders of Westwood. Saunders still faces a state criminal charge. Police said Saunders circled the Westwood Middle School athletic fields in his Cessna 172 on the evening of Oct. 13 and dropped two rolls of toilet paper. People at a nearby soccer practice called police. Saunders' lawyer, Scott Berkoben unavailable for comment.

**\*\*\*Gate Rape?**..... as a bladder cancer survivor from Michigan who wears a bag that collects his urine said a security agent at a Detroit airport patted him down so roughly, it caused the bag to spill its contents on his clothing. Tom Sawyer, a 61-year-old retired special education teacher, said the experience left him in tears before he caught a flight to Orlando, Fla., on Nov. 7. "I was absolutely humiliated. I couldn't even speak," he told reporters. Transportation Security Administration chief John Pistole said he's concerned about people such as Sawyer who have had uncomfortable experiences with agents. During an appearance on CBS' "The Early Show," Pistole expressed "great concern over anybody who feels like they have not been treated properly or had something embarrassing" happen. Sawyer said that once he got through security, he changed his bag, but didn't have time to change his clothing and had to board the plane

soaked in urine. "I was embarrassed to death," he told the Detroit Free Press.

**\*\*\*Comply With Me, Before You Fly Away .....** as with deepest apologies to Frank Sinatra, here is a new ballad for airline travelers!

<http://iowahawk.typepad.com/iowahawk/2010/11/comply-with-me.html>

=====  
\*\*\*\*\*

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

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

**\*\*\*UN: Somali Piracy Outpaces Defense Efforts.....**Piracy off the coast of Somalia is outpacing efforts to combat it and more is needed to attack the problem at its root by creating economic alternatives for young Somalis, a top U.N. official said Tuesday. B. Lynn Pascoe, U.N. undersecretary-general for political affairs, said more than 438 crew and passengers and 20 ships are currently being held at sea off Somalia as pirates employ larger vessels and attack further off the coast to avoid stepped up patrols. "The pirates are taking greater risks and seeking higher ransoms," Pascoe said. "The problems would be worse if not for the very considerable int'l anti-piracy efforts under way." The EU, NATO and regional navies are increasingly working together to patrol the Gulf of Aden — one of the world's busiest shipping lanes crossed by about 20,000 vessels annually — and other waters off Somalia where pirates operate. Secretary-General Ban Ki-moon said in a report that pirates have expanded operations well into the Indian Ocean, up to 1,000 nautical miles from Somalia. Some pirates have even begun using a "mother ship" towing two or three skiffs to help launch attacks far off the coast against ever-larger freighters. British Ambassador Mark Lyall Grant said Security Council members believe naval operations alone will not resolve the problem. "It is also important to tackle the root causes," he said, advocating increased security on land and alternative sources of income for Somalis. Pascoe suggested rehabilitating existing coastal fisheries the construction of new ones as a way to create more jobs for Somalis.

**\*\*\*NYK-Operated M/V Izumi Now Pirate Mother Ship .....** as the 20,200-ton, 3-year-old geared general cargo carrier, hijacked last month, has since been deployed by Somali pirates as a mother ship, using its 20 Filipino hostage crew as a shields against possible attack by naval forces patrolling off the Horn of Africa. The European Union Naval Force Somalia (EU NAVFOR) said the Panamanian-flagged vessel loosed a volley of small arms fire at a Spanish warship, which responded with warning shots.

[www.eunavfor.eu/2010/10/pirating-of-mv-izumi-in-the-somali-basin/](http://www.eunavfor.eu/2010/10/pirating-of-mv-izumi-in-the-somali-basin/)

**\*\*\*German Authorities Have Had Enough .....** as they have decided to prosecute 10 alleged Somali pirates despite warnings that the trial will not deter further incidents. In the first piracy trial in 400 years, the accused Somalis, between 17 & 48 years of age are charged with an attempt to hijack the 925-TEU German container [M/V Taipan](#) in April, reported London's Int'l Freighting Weekly. The crew of the vessel retreated to a safe room when the pirates boarded the vessel. However, the Dutch navy exchanged gunfire with the pirates & boarded the ship some 900 kms off the coast of Somalia. The suspects were flown to the Netherlands from Djibouti after Germany issued European arrest warrants. A Dutch court then ordered them to be extradited to Germany. According to the Kuala Lumpur-based Int'l Maritime Bureau Piracy Reporting Centre, 23 vessels and 500 crew members are currently held by Somali pirates who are receiving millions of dollars in ransoms. In August, a U.S. federal judge dismissed piracy charges against 6 Somalis arrested after an unsuccessful attack on a U.S. Navy dock landing ship, the [USS Ashland](#), in April. The judge ruled the men's actions did not meet the legal definition of piracy. Meanwhile, the trial of five Somali men accused of attacking an American frigate, the USS Nicholas, in April, continues in Virginia. Following the rise of Somali piracy, Kenya signed a deal with western states including the EU, US, UK, Canada, China and Denmark, to try suspected pirates in its courts. It became the lead prosecutor of suspected pirates, and sentenced a number of pirates to prison.

**\*\*\*Somali Pirates Attack Kenyan Navy .....** as they continue to widen attacks from the Gulf of Aden into the India Ocean off the coast in Kilifi, 60 kms north of Kenya's port of Mombasa, shooting 3 pirates following an attempt to board Kenyan navy vessel on the night of Nov. 15. The defence ministry spokesman Bogita Ongeru said the attack resulted in gun shots to 3, and one escaped into the sea, most likely dying from wounds & drowning, with a number fleeing by boat. "The naval vessel was on patrol at around 1100 hrs in Kilifi area when 4 suspected Somali pirates on board a speed boat climbed the vessel, mistaking it for a merchant vessel," said Mr Ongeru, according to Reuters. This was followed the next day by an attack on a Chinese vessel of a crew of 29 in the Arabian Sea en route to Somali, confirming the widening net of pirate attacks.

**\*\*\*Uber-Historic Maritime Arrangement .....** as Bolivia and its neighbor Peru signed a deal this week allowing landlocked Bolivia access to four square kilometers of Peruvian shoreline, in essence making Bolivia a maritime nation again, according to int'l media reports. Bolivia President Evo Morales and his Peruvian counterpart, Alan Garcia, signed a deal at the end of October giving Bolivia a 99-year lease on the strip of shoreline near Peru's southern port of Ilo. Bolivia was last a maritime nation in 1884, when Chile captured and kept the country's mineral-rich coastline in the 1879-1884 War of the Pacific. "This opens the door for Bolivians to have an international port, to the use of the ocean for global trade and for Bolivian products to have better access to global markets," Morales said during the ceremony, according to a report in the Vancouver Sun. According to Viviana Caro, the Bolivian minister for planning & development, direct access to the ocean will cut the distance goods have to travel to Asian markets by 40%.

**\*\*\*West Coast Strikes Back .....** as the U.S. trend of east coast ports winning transpacific traffic over west coast ports had a reverse with the west coast taking a 70.3% share in 1st quarter 2009 and 72.9% in 3rd quarter 2010. According to latest data from the Intermodal Assn. of North America (IANA), the increase was mostly attributed to intermodal traffic up 28% year on year in first three months to Sept. West coast traffic will be closely watched, as the Panama Canal expansion nears completion in 2014, which gave east coast its attraction following growth of all-water services, reported London's Containerization Int'l. But with U.S east coast ports requiring extensive dredging for mega ships, the easterly trending may not be immediate.

**\*\*\*On-Time Performance Up .....** as the world's 20 largest container lines improved across the board from July to Sept., according to the latest Drewry Schedule Reliability Insight, published by London-based Drewry Shipping Consultants. Drewry's schedule reliability measure tracked 2,114 sailings in the period, comparing expected arrival versus actual arrival at a list of benchmark global ports. Only one of the top 20 carriers -- Chilean line CSAV -- performed worse between July & Sept. than in the previous 3 months. CSAV, which vastly expanded its service network this year, also performed the worst out of the top 20 lines, with 35.6% of its vessels calling on-time, compared to 40.4% in the previous quarter. The best performing line, according to Drewry's metrics, continues to be Maersk Line, which saw 78.9% reliability, up from 76.5% in the previous quarter. Following Maersk are Hyundai Merchant Marine (78.1%); APL (73.8%); United Arab Shipping Co. (67.9%); and MOL (66.9%).

[www.drewry.co.uk/publications/view\\_publication.php?id=313](http://www.drewry.co.uk/publications/view_publication.php?id=313)

**\*\*\*Imports Generally Down ....** as Zepol Corp., a trade intelligence company, reports that import shipment volume for Oct., measured in twenty-foot equivalent units (TEUs), decreased 2.72% from Sept. and increased 12.84% over Oct. 2009. The total number of shipments also fell 2.72% from Sept. and rose 10.23% over last Oct. Year to date, total import shipments are up 14.21% over 2009 and down 2.38% from 2008. Year to date TEUs show similar numbers, up 16.17% over 2009 and down 0.23% from 2008. These numbers indicate that individual shipments are larger compared to previous years. Total shipments from Asia are down 4.53% from Sept. and this is reflected in the statistics for U.S. Port regions. Pacific ports were down 6.55%, while East Coast ports are up 3.29% and Gulf ports are up 0.71% in terms of total TEUs. While total volume is down, two steamship lines, Maersk & CMA, saw increases over Sept. for total TEUs.

The rest of the top 10 carriers had their volumes to the U.S. shrink for the same time frame.

**\*\*\*Drewry Index Also Down** ..... as it's Container Rate Benchmark for trans-Pacific shipping fell 5.7% in the week ended Nov. 22 to the lowest point since April as the peak season winds down and non-vessel-owning common carriers scramble to fill contracted vessel space. The measure of spot rates from Hong Kong to Los Angeles slipped to US\$1,961 per 40-foot-equivalent container unit, down from US\$2,079 the week before and the first time the benchmark rate has fallen below US\$2,000 since April 26.

**\*\*\*Ship Buiding Breaks Out** .... as the global container ship order book grew in Oct. for the first time since July 2008 as new orders outpaced deliveries. The cellular container ship order book on Nov. 1 stood at 3.79 million 20-foot equivalent units capacity, or 26.6% of the current fleet, according to Alphaliner, a Paris-based industry consultancy. This was marginally higher than the 3.73 million TEUs in the order book a month earlier following a slowdown in deliveries of new vessels and a flurry of new contracts placed in Oct. Vessel deliveries totaled 92,000 TEUs in Oct., the lowest monthly total since Feb, and likely will decline through the 4th quarter, Alphaliner forecast. Contracts for new ships reached 131,000 TEUs in Oct. and further orders are expected to be signed before the end of the year. Alphaliner said there is significant latent demand for new ships as owners rush to place new orders after two years of inactivity. The order book has been in continuous decline since it peaked at 6.89 million TEUs in August 2008, due to a combination of poor market sentiment and a lack of funding. In Japan alone, export ship orders surged 88.5% in Oct. compared with a year ago to 675,300 gross tons, according to figures released by the Japan Ship Exporters' Assn.

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

**\*\*\*TSA Calls For Hikes** ..... as the Transpacific Stabilization Agreement (TSA) has announced a 2011-12 voluntary guideline contract program for its member carriers, suggesting rates rise US\$400 per FEU for the U.S. west coast & US\$600 elsewhere from May 1. TSA members include APL, Hyundai Merchant Marine, CSCL, "K" Line, CMA-CGM, MSC, Cosco, NYK, Evergreen, OOCL, Hanjin, Yangming, Hapag-Lloyd and Zim.

**\*\*\*If You Build The Bigger Box, Will They Come?** ..... as supply chain executive at J.C. Penney says the retailer hopes to see ocean carriers & logistics operators provide 53-foot containers for U.S. importers, a shift away from longtime industry equipment standards. Richard Wallace, vice president of supply chain operations at J.C. Penney, said the move from 20-foot and 40-foot boxes would bring greater flexibility and lower handling costs for the huge volume of imports the company brings to the U.S. West Coast and sends on to population centers in the East. "We would love to see 53-foot ocean containers," Wallace told the annual joint meeting this month of the National Industrial Transportation League, Intermodal Assn. of North America and Transportation Intermediaries Assn. in Ft. Lauderdale, Fla. Container shipping has been built on the 20-foot and 40-foot boxes since the industry's inception and much of the field's equipment, including container line vessels, is aligned to the measures, making any large-scale shift unlikely in the near term. But those measurements are out of step with the standard truck measures in the U.S., and railroads use railcars dedicated to the ocean container standards for intermodal transport. Wallace said the difference adds complexity to the J.C. Penney supply chain that makes it more difficult for the retailer to expand use of intermodal transport. Officials at APL said a handful of its container ships can carry 53-foot boxes.

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

**\*\*\*Maersk Line Most Reliable** .... as it has consolidated its position as the most reliable of the top 20 largest carriers in the 3rd quarter of the year. Maersk Line increased its schedule reliability performance to 78.9%. According to the 'Schedule Reliability Insight Q4 2010' report by Drewry Shipping Consultants, Maersk Lines has increased its performance two percentage points from its 2nd quarter performance of 76.5%,

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

**\*\*\*But Argos Questioned Maersk Reliability** ..... as the carrier is believed to have reached an out of court settlement with Argos, largest retailer in the UK, for the Danish carrier to refund the high street retailer nearly US\$14M in costs & damages, to avoid a potentially damaging contract law suit in a UK court. "Argos & Maersk are no longer in dispute and their commercial relationship has now been established in a way which both companies believe provides a significantly firmer contractual basis going forwards," said Maersk Line. "Argos is, and continues to be, an important customer for Maersk. The terms of the relationship are confidential, and accordingly it is not appropriate to comment further," Maersk said. The reported settlement comes after Argos filed a US\$13.9M claim against Maersk Line in January, alleging it had "wrongfully repudiated and/or renounced the contract," which it said was to ship 5,000 FEU from Asia to the UK this year and in 2011, reported London's International Freight Weekly. Argos claimed that as a result it was forced to find another shipping line and contracted with Swiss forwarder Kuehne + Nagel, which offered it "space protection for a period of 2 years," reported London's Containerization Int'l.

[http://en.wikipedia.org/wiki/Argos\\_\(retailer\)](http://en.wikipedia.org/wiki/Argos_(retailer))

**\*\*\*The French Line Now A Little Turkish** .... as the Marseilles' shipping giant CMA CGM has announced that the Turkish Yildirim Group will invest US\$500M in the leading French carrier by acquiring 5-year ORA equity notes, giving access to 20% of CMA CGM's share capital.

**\*\*\*Exploring Potential for Nuclear "Batteries"** ..... as members of new research consortium, which includes The Strategic Research Group at Lloyd's Register & Trading, Hyperion Power Generation and BMT, to examine the marine applications for small modular reactors (SMRs). A consortium of British, American & Greek interests have agreed to investigate the practical maritime applications for small modular reactors, as commercial tanker-owners search for new designs that could deliver safer, cleaner and commercially viable forms of propulsion for the global fleet. "Nuclear propulsion offers the opportunity for an emissions-free alternative to fossil fuel, whilst delivering ancillary benefits and security to the maritime industry," said Dr Phil Thompson, Sector Director -- Transport, for the BMT Group. "We look forward to using our wide range of maritime skills and expertise to identify the through-life implications, risks and potential for developing and using SMRs in the civilian maritime environment, and to provide a framework for its safe & reliable introduction and utilization."

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

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

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

[www.estsa.gr](http://www.estsa.gr)

**\*\*\*Unlisted Charges** .... as an Indian forwarder filed a complaint with the Federal Maritime Commission against Damco USA and its Danish parent A.P. Moller-Maersk. The Chennai, India-based NVOCC Draft Cargoways alleges Damco and Maersk violated the Shipping Act by collecting demurrage & detention charges not listed in Damco's tariff. Draft also complained that Damco and Maersk made misleading statements to the U.S. District Court for the Eastern District of Virginia where Draft had filed suit on Aug. 16. According to the FMC filing, Draft claims Damco USA collected demurrage for shipments from Indian ports to Baltimore & Norfolk between Dec. 2007 and Nov. 2000, but Damco allegedly did not write charges into its tariff until last May.

**\*\*\*Tin-Can Island Customs Command Update** ..... as these authorities in Lagos Nigeria have netted another cache of arms & ammunition hidden inside 4 vehicles transported within an FEU. This is the 3rd time in less than two months security operatives have intercepted and confiscated arms & ammunition at seaports, reports the Lagos Vanguard. It said container number UESU 456777-3 was found to contain 1,431 rounds of ammunition, two hand guns, a large military bag and military camouflage outfits. We have had some interesting cases out of the Tin-Can Island Customs Command, but they need a better name.

**\*\*\*The Open Boat** ..... as 3teenage boys who spent 50 days adrift in a tiny boat in the South Pacific walked ashore on shaky legs Nov. 26 after their chance rescue - celebrated on their home

island hundreds of miles away as a miracle that brought them back from the dead. The trio - Samuel Pelesa and Filo Filo, both 15, and Edward Nasau, 14 - told rescuers they survived on rainwater they collected, a handful of coconuts, raw fish and a seagull that landed on their 12-foot- (3.5-meter-) long aluminum boat. The boys set off Oct. 5 from their home island to one nearby. It's not known how they went missing, but the outboard motor may have broken down at sea. Worried family members reported them missing and the New Zealand air force launched a sea search. No sign of the tiny boat was found, and the village of 500 people held memorial services, expecting never to see the boys again. They drifted 800 miles (1,300 kms) from where they set out - Tokelau, a bucolic collection of coral atolls north of Samoa that is New Zealand's territory. They were picked up by a fishing trawler, undernourished, severely dehydrated & badly sunburned.

**\*\*\*Port For Sale ....** as the Queensland government has announced that the Port of Brisbane, one of Australian's fastest growing container ports, will be sold for US\$2.31Bn to Q-Port Holdings, a consortium of Middle Eastern and local investors, reported Australian Broadcasting Corp.

**\*\*\*Shanghai New #1....** as the port handled about 24 million TEU from January to Oct., surpassing Singapore to be the largest port in the world for 3 consecutive months in a row, according to the Statistical Bureau of Shanghai. Container throughput in Shanghai Port stood at more than 2.3 million TEU in Oct., up 8% year on year, reported the People's Daily newspaper. Adjusting Wikipedia's rankings, new top 10 standings are Shanghai (previously No 2), Singapore (previously No 1), Hong Kong, Shenzhen, Busan, Guangzhou, Dubai, Ningbo, Qingdao & Rotterdam.

**\*\*\*Throughput >>>** Port Chongqing, on the upper navigable reaches of the Yangtze, had a meteoric rise in capacity rise to 1.7 million TEU in 2009 from 55,000 TEU in 2002, making it the busiest upstream harbor from Nanjing near Shanghai. **>>> Jacksonville Port Authority (JAXPORT)** moved 826,580 TEU, a record number of containers in fiscal year 2010. **>>> Port of Hamburg** handled 89.4 million tons of cargo in the first 9 months of 2010, an increase of 8% year on year, and as for containers, the port handled 744,000 TEU in Sept. alone, an increase of 25.1%, which represents the best monthly result since Nov. 2008. **>>> Port of Long Beach** posted a 33.5% year-on-year import container volume increased in October while neighboring Los Angeles port only increased 3.19% during the same month year on year. **>>> Mexico's Manzanillo** port's volume has grown by 40.9% so far this year, and Lazaro Cardenas' by 39.2%. In comparison, volume at Veracruz has risen by 21.7% and at Altamira by 25.9% year on year. **>>> China's Port of Ningbo** handled 11.2 million TEU from Jan. to Oct., up 31% year on year, setting a new record. **>>> Port of Phnom Penh** export container volume increased 46% in the first 10 months of 2010 year on year to 52,431 TEU, compared with nearly 36,000 in the same period of 2009. **>>> Qingdao's** container handling volume has surpassed 10 million TEU for the first 10 months of 2010. **>>> Georgia Ports Authority's Port of Savannah** has announced record highs in some commodity segments during Oct., a month that marked a 16.7% year-on-year container volume increase to 273,296 TEU. **>>> Port Metro Vancouver** hit the high point in container traffic in the port authority's nearly 3 years of existence in October, with volume growing to 197,652 TEU, up 19.5 % over the same month a year ago.

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

1776 - First salute to an American flag (Grand Union flag) flying from [Continental Navy Ship Andrew Doria](#), by Dutch fort at St. Eustatius, West Indies.

1813- Capt. David Porter claims Marquesas Islands for the United States.

1890 - [USS Maine](#), the 1st American battleship, is launched.

1917 - [USS Fanning](#) (DD 37) and [USS Nicholson](#) (DD-52) sink first enemy submarine, [U-58](#), off Milford Haven, Wales.

1922 - Cdmr. Kenneth Whiting in a PT seaplane, makes first catapult launching from aircraft carrier, [USS Langley](#) (CV 1), at anchor in the York River.

1943 - [USS Nautilus](#) (SS 168) enters Tarawa lagoon in first submarine photograph reconnaissance mission.

1961 - At the request of the president of the Dominican Republic, U.S. Naval Task Force sails to Dominican Republic to bolster government & prevent a coup.

1969 - U.S. Navy astronauts Cmdr. Charles Conrad Jr. and Cmdr. Alan L. Bean are 3rd & 4th men to walk on the moon. They were part of Apollo 12 mission. Cdmr. Richard F. Gordon Jr., the command module pilot, remained in lunar orbit. During the mission lasting 19 days, 4 hours & 36 minutes, the astronauts recovered 243 lbs. of lunar material. Recovery was by HS-4 helicopters from [USS Hornet](#) (CVS 12).

\*\*\***World's Recod Giant** ..... as Royal Caribbean's [M/V Allure](#) of the Seas is ready for service and is scheduled to cast off from the STX yard in Turku. The 6,300-passenger vessel's maiden voyage is on Dec. 1 from Florida to Haiti.

[http://en.wikipedia.org/wiki/MS Allure of the Seas](http://en.wikipedia.org/wiki/MS_Allure_of_the_Seas)

=====

5. [The Cargo Letter](#) Cargo Damage Dispatches

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

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

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

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

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

[www.cargolaw.com/gallery.html](http://www.cargolaw.com/gallery.html)

See our new feature for Nov. 2010: "**Mystery Missile Launch Off California Coast**" - what [Countryman & McDaniel](#) saw on Nov. 8 2010

[http://cargolaw.com/2000nightmare\\_singles.only.html#LAX-Mystery-Missle](http://cargolaw.com/2000nightmare_singles.only.html#LAX-Mystery-Missle)

See our other new feature for Nov. 2010: "**Monumental Mudslide At Manaus**" - Do Not Miss This - Nov. 4 2010

[http://cargolaw.com/2000nightmare\\_singles.only.html#Manaus-landslide](http://cargolaw.com/2000nightmare_singles.only.html#Manaus-landslide)

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.

=====

\*\*\*\*\*

**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**>>>>>>>

Arming the Vessel's Crew vs. Armed Security Professionals

[www.idga.org/article.cfm?externalID=1962](http://www.idga.org/article.cfm?externalID=1962)

Frequently Asked Questions (FAQ) For The Automated Export System (AES)

[www.census.gov/foreign-trade/aes/documentlibrary/index.html#documentation\\_lists](http://www.census.gov/foreign-trade/aes/documentlibrary/index.html#documentation_lists)

The Land of Enchantment & 10,000-foot Trains

[www.inboundlogistics.com/articles/features/0110\\_feature01b.shtml](http://www.inboundlogistics.com/articles/features/0110_feature01b.shtml)

New Study Detecting Radioactive Material In Ocean Containers

[www.eng.umd.edu/news/news\\_story.php?id=5341](http://www.eng.umd.edu/news/news_story.php?id=5341)

[http://jap.aip.org/resource/1/japiau/v108/i6/p063304\\_s1?bypassSSO=1](http://jap.aip.org/resource/1/japiau/v108/i6/p063304_s1?bypassSSO=1)

The Pirate as Rational Actor

[www.idga.org/article.cfm?externalID=3503&mac=IDGA\\_OI\\_Featured\\_2010&utm\\_source=idga.org&utm\\_medium=email&utm\\_campaign=IDGAOptIn&utm\\_content=11/17/1](http://www.idga.org/article.cfm?externalID=3503&mac=IDGA_OI_Featured_2010&utm_source=idga.org&utm_medium=email&utm_campaign=IDGAOptIn&utm_content=11/17/1)

Supply Chains Feel Robot's Power

<http://mhlnews.com/systems-automation/news/supply-chains-feel-robots-power-1001/>

Too Many Holes in Air Cargo Security

<http://mhlnews.com/news/too-many-holes-air-cargo-security-1101/>

**World Bank Releases Draft Strategy for Africa**

<http://ictsd.org/i/news/bridgesweekly/96960/>

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

**Admiralty and Maritime Law:** Practitioner's Edition ....by Martin Davies, Robert Force, and A.N. Yiannopoulos. Case law, statutes, textual notes, questions & analysis

[https://ecommerce.beard.com/beardbooks/admiralty\\_and\\_maritime\\_law.html](https://ecommerce.beard.com/beardbooks/admiralty_and_maritime_law.html)

## **EVENTS**>>>>>>>>>

**Transport Events**

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

Trade Shows, Exhibitions, Conferences & Business Events Worldwide

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

World Trade Organization Events

[www.wto.org/english/news\\_e/meets.pdf](http://www.wto.org/english/news_e/meets.pdf)

2011 African Logistics Summit .....March 10-12, Int'l Conference Centre in Abuja, Nigeria.

[www.afcala.org/index1.html](http://www.afcala.org/index1.html)

Building a Resilient Supply Chain Summit ..... Dec 9-10 in New Orleans

<http://events.eft.com/SCSR/download-brochure.shtml>

JAXPORT 2011 Logistics & Intermodal Conference ..... March 21-23, 2011, Sawgrass Marriott, Ponte Vedra Beach, Florida

[www.cvent.com/EVENTS/Info/Summary.aspx?e=dcfd9743-4c55-4a31-a122-b4f64da97848](http://www.cvent.com/EVENTS/Info/Summary.aspx?e=dcfd9743-4c55-4a31-a122-b4f64da97848)

Let's Say Thanks In Support of Our Troops ..... personalize your special message - free, thanks

to Xerox  
[www.LetsSayThanks.com](http://www.LetsSayThanks.com)

MARAD Approved Maritime Security Awareness Classes  
<http://71.14.2.130/moodle/>

Maritime and Navigation Risk Conference ..... March 30-31, 2011, Montreal, Canada  
[www.passeportmaritime.com/en/events/mnrc2011](http://www.passeportmaritime.com/en/events/mnrc2011)

TOC Middle East 2011 ..... Sept. 27-29, Dubai World Trade Centre  
[www.tocevents-me.com/page.cfm/EMSLinkClick=1869\\_693\\_442\\_0\\_0\\_6133](http://www.tocevents-me.com/page.cfm/EMSLinkClick=1869_693_442_0_0_6133)

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

NCAA Fan Zone - Football

Plane Finder AR ..... point at the aircraft to obtain ID, route, speed, altitude & more

**Speak4it** ..... why type?

**General Interest**>>>>>>>>>

**Industry Photo Gallery Provides Rare Glimpse Inside UK's Automotive Facilities**  
[www.flickr.com/photos/smmtphtogallery/](http://www.flickr.com/photos/smmtphtogallery/)

The Lyle Gun ..... a life-saving cannon  
<http://maritimeprofessional.net/Blogs/Maritime-Musings/November-2010/Lyle-gun.aspx>

**Martha Stewart Thanksgiving Cookbook**..... free  
<http://email.xmradio.com/a/hBM5GXJB73cKyB8VxIYNggBvfTX/thanksq>

Message From The TSA  
[www.hulu.com/watch/194728/saturday-night-live-message-from-tsa](http://www.hulu.com/watch/194728/saturday-night-live-message-from-tsa)

The Real Enemy in Afghanistan - Corruption  
<http://cl.exct.net/?ju=fe2c16797560007d701077&ls=fdef1c767165077872157773&m=fef6127475630c&l=fe5815757c6101797c15&s=fe231573746d0075731779&jb=ffcf14&t=>

Red Bull New Year's Eve Event 2010  
[www.redbullnewyearnolimits.com/](http://www.redbullnewyearnolimits.com/)

**Royal Norwegian Guards** ..... different & spectacular  
<http://sorisomail.com/email/16993/exibicao-de-banda-militar--um-espectaculo-imperdivel.html>

**Roy Rogers Museum Gone Forever**  
[www.hillmanweb.com/royrogers/](http://www.hillmanweb.com/royrogers/)

**Russian Navy Commandos On A Somali Pirate Vessel Shortly After They Capture A Russian Oil Tanker.**  
[www.youtube.com/watch?v=TruV3sxS9Zw&feature=player\\_embedded#!](http://www.youtube.com/watch?v=TruV3sxS9Zw&feature=player_embedded#!)

=====

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

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

**America Cargo Transport v. United States**

U.S. 9th Circuit Court of Appeals  
Nov. 5 2010, No. 08-35276

**MARITIME LAW:** When the government voluntarily changes its policy, that action may render a controversy moot; the Suits in Admiralty Act only provides a waiver of sovereign immunity when a private party would be liable for the same conduct; and a prevailing party is one that succeeds because of judicial action.

America Cargo Transport, Inc. ("ACT") sued the U.S. government (specifically, the Dept. of State Agency for Int'l Development ("USAID") and the Department of Transportation Maritime Administration ("MARAD") for violating federal cargo preference laws when it accepted a lower bid than the bid offered by ACT. ACT claims that it should have received further consideration because it offered to transport the entire shipment and the company with the lower bid would only transport a partial shipment. The government evaluated conflicting agency interpretations and voluntarily modified its policy to uniformly conform to the standard suggested by ACT and so the District Court dismissed ACT's claim as moot. Further, the District Court denied ACT's claim for monetary damages because the United States had not waived its sovereign immunity in this situation. Additionally, the District Court denied ACT's claim for attorney fees and costs, holding that ACT was not a prevailing party. The 9th Circuit agreed with each of the District Court's conclusions for the reasons that follow. ACT's argument that the government would continue the same illegal conduct was not persuasive; the controversy had been resolved, so the case was moot. The Suits in Admiralty Act provides a waiver of sovereign immunity only in situations where a private party would be liable under admiralty law for the same conduct as that engaged in by the United States. In this case, ACT alleged that USAID violated federal laws governing cargo preference, and those laws only regulate government conduct. Finally, to qualify as a prevailing party, judicial action must have caused the party to succeed; one party's voluntary change in position does not make the other party a prevailing party. AFFIRMED. Read the decision:

[www.ca9.uscourts.gov/datastore/opinions/2010/11/05/08-35010.pdf](http://www.ca9.uscourts.gov/datastore/opinions/2010/11/05/08-35010.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 M. Wahner, Esq. (Countryman & McDaniel) **Daily Vessel Casualties**  
Maria Payne (Countryman & McDaniel)

=====

**The Cargo Letter**  
(since 1978)

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

Michael S. **McDaniel**, Editor.

**Subscriptions**.....only by accepted application to:

To **The Cargo Letter:** [CargoNews@aol.com](mailto:CargoNews@aol.com)

To Our Firm: [info@cargolaw.com](mailto:info@cargolaw.com)

Mail Address: **The Cargo Letter**  
% Countryman & McDaniel  
11th Floor LAX Airport Center  
5933 West Century Boulevard  
Los Angeles, CA 90045 USA

Telephone: [\(310\) 342-6500](tel:(310)342-6500)

Telefax : [\(310\) 342-6505](tel:(310)342-6505)  
Cable : McLawman LSA  
News Fax: [\(818\) 224-3058](tel:(818)224-3058) [24 Hours and Weekends]

[The Cargo Letter](#) is published by [The Law Offices of Countryman & McDaniel](#): Legal, Business, Marine Insurance and Claims representation of Air/Ocean Freight Forwarders, NVOCC's, Indirect Air Carriers, Shipper's Agents, Inland Carriers and Customs Brokers.....and Liability & Marine insurance Underwriters since 1978 in the United States & world-wide via [The Cargo Law Network](#). Member, Maritime Law Association of the United States, **FIATA** and others.

Our Home Page Of Forwarder/Broker Services

[Cargo Law](#)  
[www.cargolaw.com](http://www.cargolaw.com)

&

**TRANS-CAMS**  
[www.cargolaw.com/cameras.html](http://www.cargolaw.com/cameras.html)

[The Cargo Letter](#) Home Page \_  
>>>>>>[www.cargolaw.com/cl-archives.php](http://www.cargolaw.com/cl-archives.php)<<<<<<<<

<<<<<<<<[The Cargo Letter](#)>>>>>>>