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**Law Offices of Countryman & McDaniel**  
**THE CARGO LETTER** [475]  
 Air & Ocean Logistics - Customs Broker News  
 31 March 2011  
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Good Thursday Morning from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**"

In our **New U.S. Transport Related Legal Cases** section this month, the **Countryman & McDaniel** legal team wins another historic case in support of Freight Forwarders, and we also have the rest of what happened in the industry for March 2011 in this edition. To repeat one of the most significant recent developments, U.S. NVOCCs are no longer required to publish their rates!

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

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

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

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

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**OUR Top Story\*\*\***

**\*\*\*A Tribute To The Japanese People** ..... as all Japanese ports affected by the devastating earthquake and tsunami that hit the northeastern part of the country on March 11 have now reopened, according to the Ministry of Land, Infrastructure, Transport & Tourism. The Port of Oarai in Ibaraki Prefecture reopened on March 24, becoming the last of the 15 major ports along the Pacific coast of the Tohoku and Kanto regions to become usable again. The Ports of Ofunato in Iwate Prefecture and Ishinomaki in Miyagi Prefecture reopened on March 22 & March 23. The 15 ports are now usable for both disaster-related and ordinary purposes, the ministry said. All 11 local airports in the northeastern part of the country had already reopened by March 18. Sendai Airport, which suffered serious damage as it bore the brunt of the killer tsunami, is available only to aircraft carrying relief supplies. It is expected to take several months for the airport to resume

regular passenger flight services. A ban on passenger vehicles was completely lifted on the Tohoku Expressway and Ban-etsu Expressway on March 24. The full opening to traffic of the two vital arteries, which crisscross the northeastern part of the country, is expected to make significant contributions to rehabilitating crippled distribution networks. The Japanese government estimated economic impacts of the March 11 twin natural disasters is now at US\$300Bn, with exports expected to fall by some 20%. Seldom have so many suffered so much, yet begun the rebound with such determination. There is no better tribute for such a proud people.

[www.cargolaw.com/2011nightmare\\_port\\_sendai..html](http://www.cargolaw.com/2011nightmare_port_sendai..html)

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

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

**\*\*\* At of That 5:46:24 PM Event Moment On March 11 - Japan's Trade Was Balanced .....** as it swung back into the black in Feb. as exports regained momentum, led by shipments to China, according to preliminary figures released by the Finance Ministry. However, the ministry warned of possible significant impacts on exports and imports from the devastating earthquake and tsunami that hit the northeastern part of the country on March 11. In Feb., Japan's overall exports grew for the 15th straight month on a year-on-year basis, rising 9% to US\$69Bn, while its overall imports grew for the 14th consecutive month on a year-on-year basis, increasing 9.9% to US\$60.93Bn. The Japanese government now estimates economic impacts of the **5:46:24 PM, March 11** twin natural disasters is now estimated at US\$300Bn, with exports expected to fall by some 20%.

**\*\*\* Industry Rebuilding Continues .....** as global merchandise trade grew 17% in the 4th quarter of 2010 compared to the same period in 2009 reaching US\$4.1 trillion, slightly up on previous quarter, reflected in air freight & sea freight volume increases. Despite 70 countries, 90% of world trade, dipping trade in Dec., 20% overall year-end value, as opposed to volume, was above December 2008, according to the World Trade Organisation (WTO). Brazil, Russia, India and China (BRIC) led the way with countries export & import values well above pre-recession levels. Brazil's exports and imports were up 38% & 34% year on year, and China's exports increased 25% and imports 30%, the Geneva-based WTO said. South & Central America headed up regional trade flows in the final quarter of 2010 at a growth rate of 25% increase in exports, imports by 30% year on year. Growth rates in Asia were strong with exports up by 23% and imports up by 22%. Europe saw the lowest rise of 10% in exports.

**\*\*\* American Trade Surges .....** as the U.S. Commerce Dept. reported March 10, that the country's exports of goods & services in Jan. 2011 increased 2.7% from Dec. 2010 to US\$167.7Bn. This was the highest level of monthly exports on record with individual records for both exports of goods (US\$120.5Bn) & services (US\$47.2Bn), the department said.

**\*\*\* Japan Ban - Impact Low .....** as the U.S. Food & Drug Administration will stop all imports of milk, vegetable & fruit products from the Japanese Prefectures of Fukushima, Ibaraki, Tochigi and Gunma that face potential radiation contamination from the ongoing disaster at the Fukushima Daiichi nuclear plant, a spokesman told ABC News on March 22. The United States only imports a tiny amount of milk, fruit & vegetables -- US\$6.7M out of US\$16.5Bn in total imports -- from Japan.

**\*\*\* C-TPAT Volunteers All In .....** as participation in the Customs-Trade Partnership grew at an average rate of 7.5 % per year for the past three years, said U.S. Customs and Border Protection. Nine years after it became one of the first tools in Customs' antiterrorism arsenal, C-TPAT remains healthy and growing, the agency reports. Data released this week show membership in the program is 10,082. The largest portion of members are importers with 4,401 certified, followed by 2,827 carriers, and 1,109 foreign manufacturers. Customs launched C-TPAT in early 2002 to bolster supply chain security through voluntary cooperation by importers and other segments of the supply chain. Participants agree to adopt a set of security best practices in exchange for

receiving benefits from Customs. For example, a C-TPAT importer may have its cargo inspected less frequently.

[www.cbp.gov/xp/cgov/trade/cargo\\_security/ctpat/](http://www.cbp.gov/xp/cgov/trade/cargo_security/ctpat/)

**\*\*\*A C-TPAT Model South of The Border? .....** as Mexico plans to launch a trial version of the U.S. Customs-Trade Partnership Against Terrorism in the first half of this year, according to a fact sheet provided by the Mexican Tax Administration Service (SAT). Mexico's program is modeled after the Alliance for Secure Commerce on the World Customs Organization's framework for secure trade, as well as C-TPAT and Canada's Partners in Protection trusted shipper programs, which were originally designed to prevent terrorists from using international shipping conveyances to deliver bombs or materiel for an attack. SAT, which was created with assistance from U.S. Customs and Border Protection and the private sector, is also expected to reduce smuggling of drugs through regular trade channels. U.S. authorities consider drug smuggling a threat, aside from the criminal danger, because it reveals a breakdown in security procedures that could just as easily be exploited by terrorists.

**\*\*\*What People Smuggle. Who Knew It Was Shoes! .....** as counterfeit & pirated shipments seized in fiscal year 2010 climbed 34%, according to statistics released last week by U.S. Customs & Border Protection and Immigration and Customs Enforcement. Seizures of products that could have harmed consumers, critical infrastructure and national security jumped 97% over 2009 due to heightened enforcement activity in this area and accounted for 23% of all intellectual property rights seizures by domestic value. The total domestic value of the fake goods seized last year totaled US\$188.1M, a 27% drop from US\$260.6M in 2009. The estimated manufacturer's suggested retail price, or the value the goods would have had if they had been the real thing, totaled US\$1.4Bn. China, for the 10th year running, continued to be the No. 1 source of counterfeit & pirated goods seized, accounting for two-thirds, or US\$124.6M of the total domestic value of seizures. The top ten categories of black market items are:

1. Footwear.
2. Consumer electronics.
3. Wearing apparel.
4. Handbags/wallets.
5. Optical media.
6. Computers/hardware.
7. Cigarettes.
8. Watches.
9. Jewelry.
10. Pharmaceuticals.

Read the entire Dept. of Homeland Security report:

[www.cbp.gov/linkhandler/cgov/trade/priority\\_trade/ipr/pubs/seizure/seizure\\_stats\\_fy2010.cfm/seizure\\_stats\\_fy2010.pdf](http://www.cbp.gov/linkhandler/cgov/trade/priority_trade/ipr/pubs/seizure/seizure_stats_fy2010.cfm/seizure_stats_fy2010.pdf)

**\*\*\*Shrimp Wars Continue .....** as the U.S. Int'l Trade Commission ruled March 15 to extend antidumping duties on frozen warm-water shrimp from Brazil, China, India, Thailand and Vietnam for another five years to protect the domestic shrimping industry. In a 5-1 decision, the board said lifting the duty order would cause "material injury" to U.S. producers. Antidumping duties are safeguards imposed on exports from other countries that are sold at below market prices. Gulf Coast shrimpers and their supporters hailed the decision to keep the tariff in place until 2016, did Bubba Gump. This international competition is intense and we have been involved in a number of the squables.

[http://en.wikipedia.org/wiki/Bubba\\_Gump\\_Shrimp\\_Company](http://en.wikipedia.org/wiki/Bubba_Gump_Shrimp_Company)

**\*\*\*Titanic Deck Chair Reordering? .....** as the U.S. Postal Service unveiled a restructuring program on March 24 aimed at saving some US\$750M in annual costs by closing 7 administrative offices and eliminating 7,500 jobs. The actions are the latest in a series of cutbacks the USPS has undertaken as it has accumulated billions of dollars in losses while coping with a deep decline in mail demand. The Postal service has accumulated more than US\$15Bn in losses

in the last 3 full fiscal years and mail volume has declined nearly 16% in that time.

**\*\*\*Selling The CAT 3PL .....** as heavy equipment manufacturer Caterpillar is looking to sell its expanding third-party logistics business, a part of US\$2.2Bn Caterpillar Logistics Services. The US\$42Bn manufacturer said it is examining a "range of strategic options" for its 3PL business, excluding its internal logistics and distribution operations. Caterpillar's third-party logistics business, which serves more than 50 external customers, is extending its supply chain reach in the U.S. and overseas. Cat Logistics is building a 450,000-square-foot parts distribution center in Dubai. It added a distribution center in Shanghai in 2006 and in Moscow in 2007. Last fall, Cat Logistics opened a 9,000-square-foot logistics center in Suzhou, China, to support Caterpillar's expanding manufacturing footprint in Asia.

<http://logistics.cat.com/>

**\*\*\*Building Big, Next To Big Brown ....** as FedEx unit FedEx Ground has started to build a US\$55M distribution center, covering 19,974 square meters in Norcross, Georgia, 20 miles northeast of downtown Atlanta, home of UPS. Opening late 2012, it will have automated materials handling technology designed to process 15,000 packages per hour and be able to handle 75 pick-up and delivery vans per day. The workforce will include 240 full & part-timers, as well as 75 independent contractors.

**\*\*\*K+N Goes Cool.....** as Swiss freight forwarder Kuehne + Nagel will acquire a 75% share in New Zealand's Cooltainer, a refrigerated transportation services provider. Cooltainer, based in Christchurch, has 45 employees who operate a network of offices throughout New Zealand and Australia. Cooltainer also covers niche markets such as the Trans-Tasman and Pacific Islands trades.

[www.cooltainers.co.nz/main/contact-us/](http://www.cooltainers.co.nz/main/contact-us/)

**\*\*\*Kerry Storms Ashore .....** as Hong Kong-based Kerry Logistics said March 23 it has opened two new logistics centers in Chongqing & Kunshan. The company said in mid-2010 it would open 3 such facilities in China in 2011, with the 3rd planned in Shanghai. The company opened a new facility in Xiamen last July.

[www.kerrylogistics.com/htdocs/index\\_en.html](http://www.kerrylogistics.com/htdocs/index_en.html)

**\*\*\*Goodbye Brandt Truck Line .....** as the Bloomington, Ill. regional carrier shut its doors March 22 after 88 years in business. The company offered no explanation for the shutdown. On its Web site, the regional less-than-truckload carrier promised Tuesday to "do our best to deliver any freight that is still in our system." Founded in 1923, Brandt Truck Line originally hauled kerosene using teams of mules & wagons. The carrier has specialized in LTL freight since the 1980s. Its territory stretched from Illinois into five neighboring states. Brandt is the latest small trucker to fold during the recession and in its wake. In the third quarter of 2010, 330 carriers closed their doors. Bankruptcies were down 18.5% from the same period in 2009, but many smaller carriers are struggling in the recovery, especially as fuel costs rise.

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

**\*\*\*Wanted: Workers! ....** as regional less-than-truckload carrier Holland will hire nearly 1,000 drivers this year as freight demand accelerates, the YRC Worldwide subsidiary said. Holland is seeking additional drivers to handle the rising regional LTL freight volume fueling a turnaround at YRC Worldwide's regional carrier group. Hiring 1,000 new drivers would expand Holland's driver roster by 15%. YRC Worldwide lost US\$322M in 2010

[www.yrcw.com/about/index.shtml](http://www.yrcw.com/about/index.shtml)

**\*\*\*Will Mexican Truckers Come To The Party? .....** as speakers at a U.S.-Mexico Chamber of Commerce conference on border issues this month said they were encouraged by the Obama administration's recent attempt to reopen the U.S. market to Mexican trucks, but a trucking industry official said only a limited number of Mexican truckers would take advantage of the opportunity. In January, the Dept. of Transportation published a "concept document" outlining

requirements Mexican companies & drivers would have to meet to be eligible to drive on U.S. highways. Mexican trucks have been restricted to a 20-mile corridor on the U.S.-side of the border. The United States pulled the plug in 2009 on a pilot program with several dozen Mexican carriers after the U.S. Congress refused to fund the effort. Mexico retaliated by imposing US\$2.4Bn in tariffs on select U.S. imports. The North American Free Trade Agreement that went into effect in 1994 required both countries to open the border to long-distance truck traffic.

**\*\*\*Big Jump On The Rail** ..... as intermodal container rail volume in the U.S. increased in Feb. 10.3% over 2010, and was up 21.4% on 2009, with the gain attributed to market share taken from trucking. February's year on year increase was the smallest since the summer 2010 due to heavy snow and the slight dip expected three to 4 weeks following Chinese New Year, a total of 881,830 trailers & containers, according to the Association of American Railroads (AAR).

**\*\*\*Lithuanian Customs Is Armed** ..... as they have found a fully functional machine gun dating from World War II, complete with ammunition, in a package at Vilnius Int'l Airport. Officials said March 22, that the German-made MG-42 machine gun was found after scanning a suspicious 20-kilogram (44-pound) package posted in Lithuania and bound for Germany. Customs spokeswoman Asta Mikeleviciute says it was the first time customs authorities had ever uncovered such a parcel and an investigation has been launched. No evacuation of the capital's airport was ordered, but authorities were placed on alert. More than 65 years after the war, Lithuania and other East European countries continue to uncover large amounts of weaponry & unexploded ordnance.

**\*\*\*True Vanity License Plates** ..... as traffic police in a southern Kazakhstan city have complained of a rising tide of motorists replacing their license plates with signs reading "I Love Sex." Online news channel Mir reported March 4 that one of them, a 19-year old motorist in Kyzyl-Orda, was fined US\$1,000 for pinning the provocative plate to his SUV. The station also showed police footage of another car bearing a more chaste plate honoring a woman: "I Love Aizat." Former Soviet Kazakhstan is a largely Muslim nation, but social mores and attitudes toward sex tend to be somewhat relaxed, especially in cities. One youth group, however, has led campaigns to weed out locally produced porn films and called for a ban on Valentine's Day. Geez, the Soviets really did a great society building job here.

**\*\*\*Zombies Menace Truck Drivers** ..... as drivers near the South Carolina-North Carolina state line have been warned to be on the lookout for zombies, hunters & tanks. The Herald of Rock Hill reports that one of the electronic signs, which normally flash messages about construction or crashes, read "Zombies Ahead" on March 20. Another flashed "Watch for Hunters," while a third said "Be alert for Tanks." The signs are on Highway 160 near Fort Mill, S.C. Ken Wilson with the state's transportation department says a key is needed to get into the control box for the signs. A code is needed to change the wording. So far, there have been no reports of the undead or tanks. Hackers pulled similar pranks in 2009, using road signs to warn of zombies in Collinsville, Ill., and Austin, Texas.

**\*\*\*\*"Designer" Water In Transit** ..... as Tennessee Highway Patrol officers say they have seized more than US\$4M in cash in duct-taped bundles hidden in cases of bottled water in a tractor-trailer, prompting the arrests of two California men. A highway patrol statement said the tractor-trailer was stopped March 12, on Interstate 40 in Tennessee's Cumberland County. Police say officers using search dogs found duct-taped bundles of cash inside the bottled water cases in the trailer. Federal authorities say they charged 42-year-old Armando Guzman of Monroeville, Calif., and co-driver 44-year-old Francisco Javier Cruz of San Jacinto, Calif., with interstate travel with intent to promote a drug trafficking conspiracy. Commissioner Bill Gibbons of Tennessee's Dept. of Safety & Homeland Security said in a statement that I-40 is one of the nation's leading corridors for drug trafficking.

**\*\*\*Median of Dreams** ..... as police north of Columbus, Ohio, are trying to figure out how thousands of dollars in cash ended up along a highway. Police Chief Russ Martin in the city of

Delaware says there were so many bills in the median of U.S. Route 23 on March 8 that an officer said it looked as though the field was growing money. Authorities had been alerted by a motorist, and officers spent hours collecting the cash. Martin won't reveal the total except to say it was "five figures." He told WBNS-TV police checked with the FBI, an armored car company and bank couriers. None reported missing any money. The chief is confident officers rounded up all the bills, so he says drivers shouldn't stop in hopes of finding treasure. If you spread the bills, they will come.

**\*\*\*Cargo Carrier Crash Saves A Life** ..... as a Pennsylvania trucker may have saved his own life with an unintentional and very elaborate Heimlich maneuver. Police say 55-year-old Richard Paylor, of Fairless Hills, Bucks County, was eating an apple as he drove on a busy highway in Reading when he began choking March 30 morning. Authorities say Paylor then lost consciousness and crashed through a concrete median. The Reading Eagle reports investigators believe the apple was dislodged when Paylor smacked his chest against the steering wheel. Police recovered a chunk of apple from the dashboard. Investigators spoke with doctors who backed up their conclusion that the accident dislodged the offending fruit. Can't make this stuff up.

**\*\*\*Flush Smuggling** ..... as authorities in a southern Arizona city near the Mexico border have found 2 feces-covered bales of marijuana tied to a rope feeding into a sewer system on March 11. Nogales police say public works employees hauled out an estimated 39 pounds of pot while investigating a clogged sewer line March 23. Investigators told the Nogales International newspaper that the bales were smaller than the size of a suitcase and tied to 900 feet of rope in a narrow pipe that connects systems in the U.S. and Mexico. Police Lt. Carlos Jimenez says it's the first time they've discovered marijuana tied to a rope they believe smugglers were planning to maneuver through the line. Police say a search at the Rio Rico sewer plant, where the feed ends, did not turn up more drugs. The drugs' street value was estimated at more than US\$20,000.

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

**\*\*Cathay Pacific Group.** UP with net profits of US\$1.8Bn for 2010, an increase of nearly 200% on its 2009 profits.

**\*\*Cosco Pacific.** UP with a year-on-year 43.5% increase in 2010 operating profit to US\$119.8M, drawn on revenues of US\$195.6M, up 63.5%.

**\*\*CSAV.** UP with full-year profit of US\$170.8M in 2010 from a loss of US\$656.4M in 2009.

**\*\*DHL.** UP as the world's largest logistics firm posted a 288% net profit increase in 2010 to US\$3.4Bn from US\$907M in 2009.

**\*\*DP World.** UP 35% as profit rose to US\$450M from US\$333M in 2009 on a 9% increase in revenue to US\$3.19Bn from US\$2.82Bn.

**\*\*FedEx.** DOWN with net income of US\$231M for 3rd quarter ending February 28, representing a year-on-year decrease of 3% on revenues of US\$9.66Bn, up 11% over 2010.

**\*\*Kuehne+Nagel** UP as 2010 net profit grew 28.7% from the previous year to US\$631M compared with US\$490M in 2009.

**\*\*Lufthansa Cargo.** UP with reported net profits of US\$434M in 2010, up from a net loss of US\$239M in 2009 doubling its previous record and drawn on revenue just short of 2008 level by US\$100M to US\$3.9Bn.

**\*\*OOCL.** UP with a record US\$922M operating profit in 2010, recovering from a loss of US\$301M in 2009.

**\*\*Panalpina.** DOWN with a consolidated net loss of US\$28M in 2010 compared to a profit of US\$11.3M in 2009.

**\*\*Port of Rotterdam Authority.** UP with profit of US\$217M in 2010, up US\$14 million, or 6.8% over previous year driven by record cargo throughput at Europe's biggest port.

**\*\*The Containership Co.** DOWN with a US\$4.3M operating loss in 2010 on revenue of US\$83.8M, for this start-up company.

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

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

\*\*\***Japan Shortage - Bring Your Own Fuel** ..... as the Int'l Air Transport Assn. (IATA) has warned that fuel supplies are low in Japan and int'l price increases can be expected. IATA advises airlines on short-haul routes to carry enough for the return leg from Japan to reduce pressure on local fuel stocks. "Aircraft usually carry enough fuel to get to their destinations and then fill up again, but that's no longer an option and airlines are now flying with extra fuel so they can reduce their uptake in Japan," an IATA spokesman said. If the situation doesn't improve, IATA said it has briefed airlines on rationing plans, while some airlines are reportedly "tankering," where planes carry extra fuel and leave excess to top up supplies. "Japan is an important link in global air transport. The US\$62.5Bn Japanese aviation market represents 6.5% of worldwide scheduled traffic and 10% of the industry's revenues. A major slowdown in Japan is expected in the short-term," said IATA.

\*\*\***At Narita - It Wasn't His Nosewheel** ..... as a commercial airline pilot tells what it felt like in his plane as the magnitude 9.0 earthquake hit in Japan at 5pm on March 11th. "I was taxi-ing out for departure from Narita to Fukuoka, with a full load of passengers, after push back when I noticed something was wrong with the nosewheel steering - well that's what I thought the problem was," he wrote. "The plane wanted to move across to the right side of the taxiway, and I had to use the tiller to try to bring it back, then it wanted to move quickly over to the left side, so I decided to stop, and return to the gate to get the steering checked out. That was when ATC announced "Jishin, jishin! [Earthquake, earthquake!] All aircraft stop in present position. Earthquake. I stopped and set the parking brake, then the whole aircraft began to roll and shake so forcefully. It was lucky everybody was seated with their seatbelts fastened, it was like an amusement park ride." The pilot said he requested permission from the airline to taxi back to the gate to offload passengers, but received no answer. Eventually, when he raised someone on the ground, they told him not to move the plane, as passengers and staff had spilled out of the terminal in panic onto the runway apron, and if he moved the plane, he risked "ingesting" a passenger in the plane's engines. The pilot said the plane sat on the runway for 4 hours before the plane was allowed to be moved on the field. Read the full report:

[www.pirep.org/forum/viewtopic.php?t=12430](http://www.pirep.org/forum/viewtopic.php?t=12430)

\*\*\***China Air Export Seen As Weak** ..... as despite recent stellar performances from the air cargo industry, there are widespread fears that harder times lie ahead of those engaged in the China trade. "There is a capacity issue," Cargoitalia commercial director Roberto Gilardoni told Hong Kong's Air Freight Asia 2011 conference. "The number of charters into the market is huge." "We predicted more growth last year in China," he said. "We expected 25% over 2009, but this was not uniform. Europe grew 15% to 20% last year in the first 6 months, and then slowed, but capacity into Europe grew by 40%. Airlines made mistakes," he said. Thus, the outlook for air export freight rates and yields from China is weak after an influx of new aircraft and weaker demand, say airline executives, reported London's Int'l Freighting Weekly, adding that this will likely result in rate war for cargo out of China.

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

\*\*\***Changing The Leader Board** ..... as it has outdone the world in passenger numbers in 2010, increasing volume 10.3%, with overall global freight volume up 15%, passenger numbers rising 6.3%. Hong Kong Int'l Airport has overtaken FedEx's hub at Memphis Int'l Airport in air cargo volume at 4.17 million tons, up 23% compared to FedEx of 3.9 million tons with a rise of 5.9%. Shanghai took the 3rd-busiest cargo airport along with busiest container port boosted by import boom for luxury goods from its growing millionaires and a healthy export growth of 31%. Korean Air Lines was knocked off its top spot by Hong Kong's Cathay Pacific in 2010, helped by air express carriers' FedEx & UPS opening hubs in the Pearl River Delta region.

\*\*\***The New Latin American Giant** ..... as LAN Airlines moved closer to acquiring Brazil's TAM, following an announcement by Brazil's finance ministry that the deal satisfied the country's

foreign-ownership rules. Under the terms of the proposed merger, TAM's controlling shareholders will retain 80% of TAM's voting stock, while LAN shareholders will be given about 70% of the combined airline, that is to be named LATAM Airlines. The deal, which still has to receive approval from civil aviation and antitrust regulators in both Brazil and Chile, would create the largest airline in Latin America, and the third largest in the world.

**\*\*\*Asia Pacific Set To Expand Fleets** ..... as it will account for one-third of new aircraft deliveries worldwide, amounting to 10,320 planes, over the next two decades, according to Boeing's latest forecast. World air cargo traffic is forecast to triple over this period.

**\*\*\*China Plans To Expand Infrastructure** ..... as it plans to develop 45 new airports over the next 5 years, bringing the total to 220, in a move designed to develop air cargo handling facilities nationwide to meet rising demand. IATA forecasts China's air cargo throughput will increase by 11.7% annually, from 2.1 million tons in 2009 to 3.8 million tonnes in 2014. Air freight volumes in Hong Kong are expected to rise to 5.3 million tons in 2014, up from three million tons in 2009.

**\*\*\*Express Market Rebound** ..... as the value of the express parcels market globally expanded by nearly 7% in 2010 to amount to US\$197.82Bn, marking a turnaround from the 10.6% decline experienced in 2009, according to a data compiled by the UK's Transport Intelligence.

**\*\*\*Some We Don't Hear About** ..... as some 20 were killed and 14 reportedly injured in, Brazzaville, Congo when a Trans Air Congo Antonov-12, allegedly carrying 32 illegal passengers, crashed into several buildings on March 21 in the Mvou Mvou district of Pointe-Noire while making a landing. A score of buildings, including a school and its outbuildings, were destroyed, with first reports suggesting all aboard perished, reported London's International Freighting Weekly. Officials said four Russian crewmen members and several illegal passengers also died. In 2009, another Antonov freighter crashed in the suburbs of Brazzaville, whence the flight commenced.

[http://en.wikipedia.org/wiki/Trans\\_Air\\_Congo](http://en.wikipedia.org/wiki/Trans_Air_Congo)

**\*\*\*Qantas - The Next Price Fixing Defendant** ..... as it has agreed to plead guilty to cargo price-fixing by levying fuel surcharges on freight shipments into and out of New Zealand, after reaching an out of court settlement with the New Zealand Commerce Commission to avoid a court hearing in May. British Airways & South African airline Cargolux have also agreed to settlements with the commission, after admitting liability that will involve fines. In a statement, Qantas Freight admitted to price-fixing conduct within its freight division between 2000 & 2006. Although the terms of the settlement are confidential, it recommended to the New Zealand High Court it will pay a fine of US\$4.8M, which includes a 50% discount for the airline's cooperation with the commission in its investigation of a price-fixing cartel, reports Air Transport World. It said the penalty hearing has been scheduled for April 11. The carrier was quoted as saying it "will plead guilty to participating in the cartel with other international airlines, including Air New Zealand."

**\*\*\*TSA Prevarication To Protect It's Market?** ..... as on March 14 the U.S. Government Accountability Office (GAO) released a letter to Transportation Committee Chairman John L. Mica (R-FL) that confirms the Transportation Security Administration (TSA) has used faulty data and withheld information when evaluating and comparing the costs of the all-federal screening model and an alternative federal-private screening program. The Screening Partnership Program was established in the Aviation Transportation Security Act (ATSA) after Sept. 11, 2001, to enable airport authorities to "opt-out" of all-federal screening and instead use private screening contractors under federal standards, supervision and oversight. Previously, TSA has misleadingly claimed the cost of the privatized screening program is at least 17% higher than the cost of using screeners who are TSA employees. "In essence, TSA cooked the books to try to eliminate the federal-private screening program," Mica said. "GAO found that TSA ignored critical data relating to costs. In fact, according to TSA's own revised cost study, the cost differential between the two



screening models is closer to 3%, likely within the margin of error," Mica said.

**\*\*\*Calling Washington D.C. -- Hello? -- Hello? .....** as the control tower supervisor who failed to respond to two planes trying to land at Reagan National Airport Wednesday has been suspended while the incident is investigated, the nation's top aviation safety official said. FAA administrator Randy Babbitt, himself a former airline pilot, said he was "personally outraged that this controller did not meet his responsibility to land these two airplanes." The planes — an American Airlines Boeing 737 flying in from Miami with 97 people on board, and a United Airlines Airbus 320 flying in from Chicago with 68 people on board — landed safely within minutes of each other, just after midnight. The controller — the lone person on duty in the tower — did not respond to pilot requests for landing assistance or to phone calls from controllers elsewhere in the region. According to internal records, the pilots also used a "shout line," which pipes into a loudspeaker in the tower, to try and reach the controller. The tower normally is staffed by one air-traffic controller from midnight to 6 a.m. As it turns out, the supervisor who was on duty simply fell asleep. The controller has been sent home for a much longer nap. The airlines are likely to learn from this incident to charge extra for manned tower landings.

**\*\*\*Volumes >>>** Singapore's **Changi Airport** handled 128,048 tons of air freight in February, a decline of 1.9% over a year earlier and, in the first two months of the year the total cargo volume rose by 1.3% year on year to reach 275,272 tons of cargo. >>> **Frankfurt Airport's** Fraport air cargo hit 2.23 million metric tons in 2010, an increase of almost 21.5% year on year with profit surpassing 2007 records by 19% at US\$381.2M. >>> **Israel Airports Authority** said that total air cargo in Feb. 2011 at **Ben-Gurion Int'l Airport** amounted to 24,499 tons of air cargo, down from 25,835 tons in Feb. 2010, a drop of 5.17% year on year.

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

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

**\*\*\*Historic Rule As NVOCCs Now Exempt From Rate Publishing Burden .....** as we reported last month, the U.S. Federal Maritime Commission said its final rule on non-vessel-operating common carrier negotiated rate arrangements was published in the Federal Register on March 2, as controversy swirls around the treatment of foreign NVOs. The new rule goes into effect on April 18. FMC said the rule relieves 3,300 NVOs from the costs & burdens of publishing in tariffs the rates they charge for cargo shipments. Licensed NVOs who enter into new instruments called negotiated rate arrangements (NRAs) with their customers will be exempted from the requirement of publishing their rates in tariffs, if they continue to publish rules tariffs containing terms and conditions governing shipments and provide those rules to the public free of charge. Rates charged by the NVOs must be agreed to and memorialized in writing by the date cargo is received for shipment and the NVO must retain documentation of the agreed rate for a period of 5 years, and make the documentation available promptly to the FMC upon request. The National Customs Brokers and Forwarders Assn. of America said that during the FMC's meeting to adopt the exemption, "it was clear that the most controversial topic was the refusal to extend the exemption to foreign-based NVOCCs. The commissioners clearly understand the sensitivity of this issue and the possibility that foreign governments may retaliate against U.S. NVOCCs." Commissioners were unwilling to overrule concerns by the FMC's staff that the FMC has little information or regulatory control over foreign NVOs because they do not have to go through the licensing process, and that the FMC has traditionally had trouble obtaining documents from foreign countries, the NCBFAA said.

[www.mondaq.com/unitedstates/article.asp?articleid=125802](http://www.mondaq.com/unitedstates/article.asp?articleid=125802)

**\*\*\*Cosco's Mighty Help To Cool Japanese Reactor ....** as it's joint venture, the Shanghai Int'l Ferry Co Ltd recently succeeded in shipping a giant pumping device to Japan for cooling the troubled reactor in Fukushima nuclear power plant. The transport is without charge and the cost will be absorbed as donation to Japan. The pump is 15.5 meters long and 4.2 meters high with a 62-meter arm, weighting 53.5 tons. It is worth US\$1M and was donated by China's heavy

machinery manufacturer Sany Group. [M/V Suzhou](#) was assigned to this task. The normal way of moving the device would take up 40 slots on the ship. But the number is reduced to 20 after optimisation. The entire industry has come forward with cash contributions and offers of shipping capacity.

**\*\*\*First Post-Tsunami Ship Is Radiation Free .....** as U.S. Customs & Border Protection gave global shipping line APL an all-clear here last for the first shipment of containerized cargo from post-earthquake Japan. According to Customs, technicians conducted radiation tests on 355 containers discharged at the Port of Los Angeles from the [M/V APL Korea](#). All containers were cleared for delivery to locations throughout the U.S. It was the first test of Japanese exports since the March 11 earthquake in Japan damaged nuclear reactors and raised radiation exposure concerns. The ship arrived March 22 at 5:15 a.m. By 11:45 a.m., technicians had completed their pier-side scanning.

**\*\*\*60% of Vessels Fail Pirate Self-Protection .....** as less than 40% of ships traversing pirate-infested waters off Somalia adhere to best industry management practice (BMP) guidelines, according to secretary general of the UN's International Maritime Organisation (IMO) chief Efthimios Mitropoulos. Given the area to be covered ranging deep into the Indian Ocean, NATO estimates it would take 80 warships on a patrol to provide an hour's arrival response time to a pirate attack in the zone of operations, reports Tanker Operator. But there are only 30 in the area and only 15 operationally available at any one time, said Norway's Commander Stein Hagalid, now branch head of the NATO Shipping Center. In light of this lack of compliance, the IMO's Ian Finley said, "Maybe flag states should make it (BMP) mandatory." Mr Finley said vessels on time charter should be made to comply with BMP by adding a clause in the charter party. Currently, the Somali pirates are holding approximately 36 Vessels & 749 crew. Meanwhile, many American flag vessel are armed, and none have been taken since the practice began in the wake of the initial [M/V Maersk Alabama](#) incident.

**\*\*\*\*"Piracy Surcharge" For Your Container .....** as Cosco Container Lines has told the trade it will levy an "emergency risk surcharge" on shipments between the Far East and Middle East and the Indian subcontinent. The fee to be levied this week is US\$41 per TEU between the Far East and Middle East, and US\$21 per TEU for westbound shipments from the Indian subcontinent to the Far East.

**\*\*\*New Ocean Container Shortage Seen .....** as the container inventory to vessel capacity ratio will drop to 1.99 by the end of the year from 2.03 in 2010, the Paris-based analyst forecasts. This is the lowest ratio on record and compares with the capacity ratio of 2.99 containers per slot in 2000. Back haul shippers from the U.S. and Europe will be hit hardest by the box shortage, as carriers will need to quickly return empty containers to high demand locations in Asia, Alphaliner said. Ocean carriers & freight forwarders are also predicting a shortage of boxes later in the year will drive up freight rates, mirroring the situation last summer when lines responded to a dearth of equipment by imposing peak season surcharges of up to US\$750 per 20-foot container on the Asia-Europe trade. The box-to-slot ratio has been shrinking gradually over the past decade, partly reflecting the more efficient management of equipment by container lines, according to Alphaliner.  
[www.alphaliner.com/](http://www.alphaliner.com/)

**\*\*\*EU Import Forecast Positive .....** as import volumes at 6 major North European ports are expected to have increased by 16% in January of this year from a year earlier, according to the latest forecast by Global Port Tracker: North European Trade Outlook. January import volumes should total almost 2 million 20-foot equivalent units, which would also be a 6.7% gain over Dec. 2010. The new import forecast, released this week by Hackett Associates and the Bremen Institute of Shipping Economics and Logistics, is stronger than the forecast released last month.

**\*\*\*Ghost Fleet Shrinks .....** as the number of idle containerships in the worldwide fleet stands at 84 vessels with a total capacity of 185,000 TEU, including 23 carrier-controlled ships. This is

the lowest number of idle containerships since Nov. 2008, according to Alphaliner, which attributed the decline in idle tonnage to shipping lines making preparations to deploy the vessels in new service strings this summer. It also predicts that most of the idle carrier-controlled vessels will "resume trading in the coming weeks." The total number of idle box ships include vessels that are "over-aged," damaged or have been seized, and also includes "mothballed U.S.-flag ships," it said.

[www.axsmarine.com/public/axsalph-news.php](http://www.axsmarine.com/public/axsalph-news.php)

**\*\*\*The American Lakes Reopen .....** as the St. Lawrence Seaway opened March 23 for the 2011 navigation season, the 53rd season of operation. The Dutch [M/V Avonborg](#) was the first vessel through, with a deckload of wind turbine components destined for Burns Harbor, Ind. All told, 10 vessels have transited the seaway in its first two days, 8 inbound trips and 2 outbound. The St. Lawrence Seaway Management Corp. said it expects a 7% increase in traffic, to a total 39.1 million metric tons driven by a steady flow of grain & iron ore.

**\*\*\*Shippers Warn Obama To Dig Now .....** as the administration's proposal to trim the Great Lakes dredging budget by 32% in fiscal year 2012 has the Great Lakes shipping industry declaring a "state of emergency." Specifically, the White House's proposed appropriation for lakes dredging next year will remove the smallest amount of sediment since the Army Corps of Engineers started keeping records more than a half-century ago, the Great Lakes Maritime Task Force noted. As a result, only 11 of the 83 U.S Great Lakes ports will be dredged. "Never in my 51 years in this industry have I seen such a total abandonment of the federal government's responsibility to maintain the Great Lakes navigation system," said John D. Baker, the task force's president, in a statement. About 3.5 million cubic yards of sediment build up in Great Lakes ports and waterways each year. Funding for dredging has been inadequate for years, so 15.5 million cubic yards of sediment already clog the system and consequently thousands of tons of cargo are left behind each time a vessel leaves port.

**\*\*\*Overcapacity Fear Drops Regional Rate .....** as the spot index for shipping containers from Shanghai to Europe slipped below US\$1,000 per 20-foot equivalent unit this week for the 1st time since March 2009 as fears of vessel overcapacity pervaded the market. The spot index slid to US\$992 per TEU, down US\$27 per TEU from last week, according to BIMCO, the independent shipping association in Copenhagen.

**\*\*\*U.S. Fines Will Kill Horizon Lines .....** as it concedes it faces bankruptcy unless lenders will reschedule its US\$576.6M debt, but so far holders of US\$330M in company bonds have refused more time as the firm faces a crippling US\$45M fine for price fixing.. "These conditions raise substantial doubt about Horizon Lines' ability to continue as a going concern," Ernst & Young said in a note attached to the annual report of the company that is ranked the world's 34th largest container shipping line by Paris-based Alphaliner. Horizon, of Charlotte, North Carolina, operates a fleet of 21 U.S.-flagged containerships and 5 port terminals linking the continental United States with Alaska, Hawaii, Guam, Micronesia and Puerto Rico.

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

**\*\*\*M/V Victoria Seized - Big Mistake .....** as shipping giant CMA CGM says it was deceived by a mis-declaration of cargo after its 1,678-TEU [M/V Victoria](#) was seized some 200 miles off the coast of Al-Arish, Egypt on March 22 by the Israeli navy for carrying weapons bound for Gaza via Egypt when it the shipping line thought the containers held "lentils". Neatly stacked beneath sacks of lentils and cotton in three of the containers, they found crates full of long-range mortars, as well as C-704 radar-guided anti-ship missiles that would have given Hamas the ability to sink Israeli navy ships at distances of up to 35 kilometers. After an investigation by the Israeli government, the ship was released from the Port of Ashdod after Israel removed 3 containers.

**\*\*\*Experiment Ends: No More Slow Steaming .....** as Maersk Line will pass on higher fuel expenses to customers through bunker surcharges to avoid slowing the speed of its vessels down further in spite of bunker fuel prices being at a 30-month high. "If we sail much slower, our

customers may not be happy with the transit time," CEO Eivind Kolding told Reuters. "We're making sure that our higher oil costs are being covered by the bunker fuel charges that we add to the freight rates. As long as we're covered via the surcharge, we won't slow down any further." Since 2009, shipping lines have been slow steaming services to reduce fuel consumption and absorb surplus fleet capacity, a move prompted by the global financial crisis in autumn 2008.

**\*\*\*Shipping With The Enemy?** .....as the group United Against Nuclear Iran (UANI) is asking French shipping company CMA CGM to "cease all business activities in Iran" as part of its campaign to prevent the Iran from possessing nuclear weapons. It is the second shipping company the group has targeted. Last fall, it also asked Maersk Line to stop doing business with Iran.

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

**\*\*\* A New Kind Of RO/RO - And Largest** ..... as Norwegian shipping firm Wilh. Wilhelmsen said it has launched the largest roll-on/roll-off vessel. [M/V Tønsberg](#) has more flexibility to carry high and heavy cargo, and was also built to be environmentally friendly, using 15% to 20% less fuel than older ro/ro ships. [M/V Tønsberg](#) is 265 meters long and has cargo volume of 138,000 cubic meters. It has a capacity of 8,500 car equivalent units (CEU) compared to 8,000 CEU for the next-largest ships in Wilhelmsen's fleet. There are 6 fixed and 3 hoistable decks, and the entire cargo hold of the new ship is arranged for high and heavy cargo, such as excavators, bulldozers, wheel loaders and harvesters. [M/V Tønsberg](#) is named after the coastal town in Norway where Wilh. Wilhelmsen was founded in 1861.

[www.pitchengine.com/walleniuswilhelmsenlogistics/worlds-largest-ro-ro-vessel-launched/133138/](http://www.pitchengine.com/walleniuswilhelmsenlogistics/worlds-largest-ro-ro-vessel-launched/133138/)

**\*\*\*CMA CGM Says Welcome Aboard!** ..... as the world's 3rd largest container shipping Group, offers a one-of-a-kind experience to journey across oceans, seas and continents on a "Cargo Cruise." With this original means of transport, passengers can immerse themselves in life on board and discover the world of merchant shipping. In 2010, 690 people chose to "experience cruising another way" by traveling on a containership. CMA CGM Group is now offering genuine cruises aboard the biggest vessels in its fleet, the new 13,800-TEU\* containerships. These giants of the seas (365 m in length, equivalent to 3.5 soccer fields), are among the largest vessels of their kind in the world. The company even offers cruises aboard its flagship, [M/V CMA CGM Christophe Colombe](#), which has a special private deck and spacious luxury cabins. Passengers also have access to a range of facilities such as a lounge with TV equipment, a library, a fitness room and even a swimming pool in which to relax. Passengers are in daily contact with the crew and take their meals at the Captain's table.

<http://thecruisepeople.ca/cruiseblog/?p=752>  
[http://en.wikipedia.org/wiki/CMA\\_CGM](http://en.wikipedia.org/wiki/CMA_CGM)

**\*\*\*Throughput >>> Port of Charleston** handled 108,994 TEUs in February, 7% more than the 101,900 TEUs handled in Feb. 2010. >>> Ports in China's eastern coastal **Fujian Province** have reported a cargo throughput of 28.47 million tons in January, a 10.9% year on year rise and container throughput went up 12.1% year on year to 783,000 TEU. >>> **Ports of Los Angeles & Long Beach** posted an overall 12% decline to 1.01 million TEU in container cargo in Feb. compared to Jan., but increased 8% year-on-year. >>> **Port of New York and New Jersey** reported container traffic in the port was 5,292,020 TEU compared with 4,561,527 in 2009, still below the 2007 level, before the economic downturn. >>> **Port Portland** grew its container volume in the Jan. & Feb. of the year to 32,348 TEU, a 21.2% lift compared to its breakbulk tonnage which saw a decline of 33.8%. >>> **Port of Savannah** up with a 16.3% year-on-year increase in container volume in Feb. totalling 235,665 TEU. >>> Container throughput at **Yangtze River ports** rose 26% to 9.1 million TEUs in 2010 and that total, 3.6 million TEUs were related to foreign trade, a 19% increase over 2009. Domestic trade rose 31% to 5.5 million TEUs.

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

1783 - At the conclusion of the American Revolution, Congress orders all Continental naval

vessels and privateers home.

1815 - [USS Hornet](#) captures [HMS Penguin](#) in battle lasting 22 minutes

1882 - SECNAV Hunt issues General Order No. 292 creating Office of Naval Intelligence.

1898 - [USS Holland](#), the first practical submarine, is launched.

1903 - George Dewey commissioned Admiral of the Navy with the date of rank, 2 March 1899.

He was the only person to hold this rank.

1917 - Launching of [USS New Mexico](#), first dreadnought with turboelectric drive

1945 - Carriers begin pre-assault strikes on Okinawa, kamikaze attacks follow

1958 - First launching of simulated Polaris missile from submerged tactical launcher facility off CA.

1965 - LCDR John W. Young, USN, Pilot of Gemini 3 completed 3 orbits in 4 hours, 53 minutes at an altitude of 224 km. Recovery was by helicopters from [USS Intrepid](#) (CVS-11)

**\*\*\*Goodbye To Another Sister** ..... as the [S/S President](#) was towed from the U.S. Maritime Administration's Suisun Bay Reserve Fleet in California on March 8 for scrapping. This will be the 18th ship to leave the Suisun Bay site since October 2009, when the Obama administration announced an effort to clean up the location and improve the surrounding environment. The departure of the President leaves 39 remaining ships to be removed from the fleet, MarAd said. [S/S President](#) was a breakbulk cargo vessel built in 1961 by Bethlehem Steel in San Francisco. It entered the reserve fleet at the end of its active service in 1979.

**\*\*\*Welcome Aboard!** ..... as a dolphin weighing between 600 & 700 pounds (around 300 kgs) jumped onto the deck of a boat, injuring a woman in South Florida. Isles of Capri Fire spokesman Keith Perry says a charter boat captain called emergency services March 13 afternoon after the dolphin jumped on the boat and landed on one of his passengers. The woman suffered a sprained ankle. Her name was not available. Officials from the Isles of Capri Fire Department, the Florida Fish and Wildlife Conservation Commission and the Collier County Sheriff's Office used an immobilizing board and a rope to push the dolphin back into the water.

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

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

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

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

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

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

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

See our new feature for March 2011: "**Japan Tsunami: Port of Sendai**"

[www.cargolaw.com/2011nightmare\\_port\\_sendai..html](http://www.cargolaw.com/2011nightmare_port_sendai..html)

See our new feature for March 2011: "**Premature Debark**" - [M/V Godafoss](#)

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

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

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

Daily Vessel Casualties ..... as we don't want you to miss the excitement of our 24 hour reports of the dramatic events at sea each day -- stories of casualties & pirates --- almost none of which



are carried on your local news. Edited daily by **Christoph Wahner, Esq.** of **Countryman & McDaniel**.  
[www.cargolaw.com/presentations\\_casualties.php](http://www.cargolaw.com/presentations_casualties.php)

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

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

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

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

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

1906 Film of San Francisco Taken From Cable Car ..... was taken only 4 days before The Great California of April 18 1906

[www.youtube.com/watch\\_popup?v=NINOxRxze9k](http://www.youtube.com/watch_popup?v=NINOxRxze9k)

Boeing 747-8 Intercontinental First Flight ..... 20 March 2011

[www.newairplane.com/747/incredible/](http://www.newairplane.com/747/incredible/)

The Decline of U.S. Naval Power

[www.emailthis.clickability.com/et/emailThis?clickMap=viewThis&etMailToID=934298828](http://www.emailthis.clickability.com/et/emailThis?clickMap=viewThis&etMailToID=934298828)

Federal Railroad Administration New Systems for Telephonic Notification of Unsafe Conditions at Highway-Rail Grade Crossings

<http://edocket.access.gpo.gov/2011/2011-4759.htm>

FIATA Position Paper: "International Intellectual Property Rights"

[www.fiata.com/uploads/media/FIATA Position Paper - Intellectual Property Rights - September 2010 01.pdf](http://www.fiata.com/uploads/media/FIATA_Position_Paper_-_Intellectual_Property_Rights_-_September_2010_01.pdf)

Global Travel Security

[www.ustravel.org/sites/default/files/page/2011/03/A\\_Better\\_Way\\_032011.pdf](http://www.ustravel.org/sites/default/files/page/2011/03/A_Better_Way_032011.pdf)

Insurance Insider -- Special Report On Japan Quake & Tsunami Crisis

[http://insider-publishing.msgfocus.com/files/amf\\_insider\\_publishing/project\\_117/IW\\_437.pdf](http://insider-publishing.msgfocus.com/files/amf_insider_publishing/project_117/IW_437.pdf)

Japan's Sendai Airport ..... video shot from inside just as the tsunami surrounds the terminal !

[www.liveleak.com/view?i=a7c\\_1299966047&p=1](http://www.liveleak.com/view?i=a7c_1299966047&p=1)

Supply Chain Security - Preventing Cargo Theft, A Ryder White Paper ..... best practices are outlined

[www.ryder.com/pdf/scs\\_wp\\_cargotheft.pdf](http://www.ryder.com/pdf/scs_wp_cargotheft.pdf)

Understanding Modern Piracy: Terrorists and their Maritime Campaign

[www.idga.org/maritime-security/articles/understanding-modern-piracy-terrorists-and-their/](http://www.idga.org/maritime-security/articles/understanding-modern-piracy-terrorists-and-their/)

U. S. Consumer Product Safety Commission Information Database

[www.saferproducts.gov/](http://www.saferproducts.gov/)

U.S. Customs Statement Concerning Radiation Monitoring of Goods from Japan

[www.cbp.gov/xp/cgov/newsroom/news\\_releases/national/03172011\\_6.xml](http://www.cbp.gov/xp/cgov/newsroom/news_releases/national/03172011_6.xml)



U.S. Pacific Command Operation Tomodachi Relief to Japan  
[www.pacom.mil/web/Site\\_Pages/Home\\_Page/AssistedDeparture-2011/Operation.shtml](http://www.pacom.mil/web/Site_Pages/Home_Page/AssistedDeparture-2011/Operation.shtml)

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

**Admiralty and Maritime Law by Martin Davies, Robert Force, and A.N. Yiannopoulos**  
[https://ecommerce.beard.com/beardbooks/admiralty\\_and\\_maritime\\_law.html](https://ecommerce.beard.com/beardbooks/admiralty_and_maritime_law.html)

**Diploma in Maritime Business Management .....distance learning**  
[www.informaglobalevents.com/event/maritime-business-management-distance-learning](http://www.informaglobalevents.com/event/maritime-business-management-distance-learning)

**International Tribunal for the Law of the Sea**  
[www.researchandmarkets.com/product/ef95b7/international\\_tribunal\\_for\\_the\\_law\\_of\\_the\\_sea](http://www.researchandmarkets.com/product/ef95b7/international_tribunal_for_the_law_of_the_sea)

## **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)

6th Annual Breakbulk Europe Transportation Conference & Exhibition ....17-19 May, 2011,  
Antwerp, Belgium  
[http://breakbulkevents.com/index.php?section=cbreakbulk\\_europe2011\\_attendee\\_fees](http://breakbulkevents.com/index.php?section=cbreakbulk_europe2011_attendee_fees)

8th Shiparrested Annual Conference .....2-4 June 2011, Athens  
[www.shiparrested.com/8th-shiparrested-com-conference-2-4-june-2011-athens-greece.html](http://www.shiparrested.com/8th-shiparrested-com-conference-2-4-june-2011-athens-greece.html)

Cool Logistics 2011 .....26-28 Sept. 2011, Crowne Plaza, Antwerp Belgium  
[www.coollogisticsconference.com/](http://www.coollogisticsconference.com/)

Express Carriers Association Marketplace ..... 19-21 April 2011, Atlanta, GA  
[www.expresscarriers.org/marketplace/?id=32453534](http://www.expresscarriers.org/marketplace/?id=32453534)

Intermodal South America ..... 5-7 April, Sao Paulo, Brazil  
<http://intermodal.com.br/en/>

Maritime Industry Congressional Sail-In ..... 4 May 2011, Washington, D.C.  
[www.maritimeindustrysailin.com/](http://www.maritimeindustrysailin.com/)

National Customs Brokers & Forwarders Association of America Annual Conference ..... 4-7 April  
2011, Phoenix, AZ  
[www.ncbfaa.org/events/content.cfm?ItemNumber=11594](http://www.ncbfaa.org/events/content.cfm?ItemNumber=11594)

TOC Americas 2011 .....15-17 Nov. 2011, El Panama Hotel, Panama City Panama  
[www.tocevents-americas.com/](http://www.tocevents-americas.com/)

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)

The Freight Summit..... 17-20 May, Ningbo, PRC  
[www.freightsummitchina.com/](http://www.freightsummitchina.com/)

Transport Security Expo 2011 .....13-14 Sept. 2011, Olympia, London UK  
[www.transec.com/](http://www.transec.com/)

Transportation & Logistics Council and and Transportation Loss Prevention & Security Assn.  
..... 4-6 April 2011, Sheraton Westport Lakeside Chalet, St. Louis, Missouri.  
[www.tlcouncil.org/2011registration](http://www.tlcouncil.org/2011registration)

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

AAA TripTik Mobile ..... compares prices at nearby gas stations and provides maps & directories  
<http://itunes.apple.com/us/app/aaa-triptik-mobile/id368758830?mt=8>

Car Spotter ..... uses GPS to find your parked vehicle  
<http://itunes.apple.com/us/app/car-spotter/id293089131?mt=8>

Gas Hog .....allows you to track the fuel economy of your vehicle.  
<http://itunes.apple.com/us/app/gashog/id284957432?mt=8&i=6372516>

Route 4 Me ..... maximize efficiency when delivering or visiting up to 200 locations on single route  
<http://itunes.apple.com/us/app/route4me/id349853799?mt=8>

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

**3,000 Years of Middle East History in 90 Seconds**  
[www.mapsofwar.com/images/EMPIRE17.swf](http://www.mapsofwar.com/images/EMPIRE17.swf)

Airventure Oshkosh 2010 ..... world's greatest air show  
<http://marcbrecy.perso.neuf.fr/Oshkosh.html>

Al Qaeda Attacks Internet With Photo Of Adorable Piglet  
[www.theonion.com/video/al-qaeda-attacks-internet-with-photo-of-adorable-p,19324/](http://www.theonion.com/video/al-qaeda-attacks-internet-with-photo-of-adorable-p,19324/)

Bakken Wells in North Dakota  
[www.northernoil.com/drilling.php](http://www.northernoil.com/drilling.php)

Boat Quest  
<http://boatquest.com/>

Do You Know The Darién Gap Separates Two Continents?  
[http://en.wikipedia.org/wiki/Darién\\_Gap](http://en.wikipedia.org/wiki/Darién_Gap)

Flying Car  
[www.eaavideo.org/video.aspx?bcpid=90015277001&bctid=635469588001](http://www.eaavideo.org/video.aspx?bcpid=90015277001&bctid=635469588001)

Lewis & Clark Girandoni Air Rifle  
[www.network54.com/Forum/451309/thread/1296928404/This+is+just+to+cool+not+to+spread+around](http://www.network54.com/Forum/451309/thread/1296928404/This+is+just+to+cool+not+to+spread+around)

Google Science Fair 2011  
[www.google.com/events/sciencefair/](http://www.google.com/events/sciencefair/)

The Making of Boeing "Florida One"  
[www.youtube.com/watch\\_popup?v=zKnsyYbfC60&feature=popular](http://www.youtube.com/watch_popup?v=zKnsyYbfC60&feature=popular)

New Porsche Campaign  
[www.porscheeveryday.com/#](http://www.porscheeveryday.com/#)

Space Shuttle Launch: Viewed From an Airplane  
[www.youtube.com/watch?v=GE\\_USPTmYXM](http://www.youtube.com/watch?v=GE_USPTmYXM)

Taildragger Landings  
[www.youtube.com/watch?v=wSbaD8u0v58](http://www.youtube.com/watch?v=wSbaD8u0v58)

Treasures of The Steamboat Arabia ..... time capsule on the Mississippi. Don't miss the video.  
[www.1856.com/](http://www.1856.com/)

U.S. Debt Limit For Dummys  
<http://link.brightcove.com/services/player/bcpid1274179818?bctid=56340416001>

U.S. Independence Day Quiz .....most high scholl students failed this  
<http://games.toast.net/independence/>

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

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

**\*\*\*Historic Legal Decision For Carmack Forwarders and Carriers.....**

***One Beacon Ins. Co. v. Haas Industries***

U.S. 9th Circuit Court of Appeals - March 9, 2011  
2011 U.S. App. LEXIS 4603

The **Countryman & McDaniel** legal team successfully argued before the U.S. Ninth Circuit Court of Appeals at San Francisco that the Carmack Amendment does not require Forwarders to maintain a tariff or rates in any particular format in order to enforce a contractual limitation of liability.

The Court held that to limit its liability under Carmack, a Forwarder must (1) at the shipper's request, provide the shipper with a written or electronic copy of the rate, classification, rules, and practices upon which any rate applicable to a shipment, or agreed to between the shipment and the carrier, is based; (2) give the shipper a reasonable opportunity to choose between two or more levels of liability; (3) obtain the shipper's agreement as to his choice of carrier liability limit; and (4) issue a bill of lading prior to moving the shipment that reflects any such agreement.

The Court accordingly limited plaintiff's recovery from the Forwarder to US\$88. On the other hand, the Forwarder was awarded recovery of attorneys' fees pursuant to contractual terms of appromimatley US\$45,000.

Damage limitations for cargo loss or damage have been recogized as legitimate international public policy since the dawn of our industry. This is why shippers have cargo insurance and also why 90% of loss lawsuits are brought by the subrogating insurance companies (a profitable insurance product). If Forwarders must continue to fight these battles to defend damage limitation levels set so long ago (upon which shipping rates are based), it is just that the insurance companies repay Forwarders for their trouble. This time, the Forwarder will receive US\$46,000 ..... and the subrogating insurance company US\$88.

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

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**The Cargo Letter**  
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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.

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