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 Law Offices of Countryman & McDaniel  
**THE CARGO LETTER** [480]  
 Air & Ocean Logistics - Customs Broker News  
 30 Sept. 2011  
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Good Friday Morning from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**"

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

**There will be no The Cargo Letter for Oct. 2011, as we attend the FIATA World Congress** at Cairo, Egypt. See you again in November!

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

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

**\*\*\*U.S. Playing Chicken ....** as the U.S. has filed a complaint with the World Trade Organization in Geneva over Chinese duties on U.S. poultry that are up to 105.4% and have led to a dramatic fall in U.S. poultry exports, Bloomberg reported. This comes just after a WTO ruling favoring the U.S. against China over the dumping of Chinese tires on the American market. The Americans responded with duties on Chinese tires for 3 years. Despite a Chinese appeal against this, the WTO appellate body upheld the American decision earlier this month. U.S. poultry exports to China have declined 90% since China introduced anti-dumping and countervailing duties on chickens last year, according to the U.S. Federal Trade Commission, which claims the U.S. poultry industry may lose up to US\$1Bn in sales from China this year. Almost all chicken feet

eaten in southern China come from the U.S., much of it as reefer cargo through the Port of Savannah. A report in China Economic Review said the U.S. was China's largest supplier of chicken-broiler products in 2009, shipping more 600,000 tons of the produce, and it remains a major supplier of pork.

**\*\*\*Coming Back To U.S. Shores** ..... as between 2008 and 2010, BMW AG spent US\$1Bn to beef up its U.S. infrastructure, which included a 1.2 million-square-foot expansion of its Spartanburg, S.C., manufacturing facility. During that time, BMW also expanded its U.S. headquarters in Woodcliff Lake, N.J., and built two new regional distribution centers in the United States, showing its "deep commitment to the U.S. and its people," in the words of Chairman Norbert Reithofer. "The U.S. will remain the world's largest premium market for the foreseeable future, and we intend to participate in the expected growth with the expansion of our activities here," Reithofer said in October 2010. BMW's investment in its U.S. infrastructure is just one example of how manufacturers are moving closer to their customers by locating production & supply where the demand exists, says John Ferreira, senior executive at the managing consulting firm Accenture. Accenture's John Ferreira: "A lot of companies may have gone offshore ... for perhaps incorrect reasons." In a recent Accenture survey of managers and executives from 287 manufacturing companies, 61% of the respondents indicated they were considering shifting their manufacturing and supply bases closer to their customers to better meet demand.

**\*\*\*Japan's Counter-Tsunami** ..... as exports grew for the first time in August on a year-over-year basis since the catastrophic earthquake & tsunami hit the northeastern part of the country on March 11. Japan's exports rose 2.8% in Aug. from the same month last year to US\$70Bn, according to preliminary figures released by the Finance Ministry on Wednesday. Japan's overall imports rose for the 20th successive month in Aug. on a year-over-year basis, surging 19.2% to US\$80.17Bn. The export growth in Aug. reflects faster-than-expected progress in the restoration of supply chains. Japan's overall export growth was led by ships, autos & metal processing machinery, which increased 35.2%, 5.3% and 29.2%, respectively, in terms of value.

**\*\*\*Golden State Fights Back** ..... as goods exported by California businesses in July had a value of US\$13.15Bn, a nominal gain of 10.9% over the US\$11.86Bn reported in the same month last year. The state's manufactured exports edged up by 6.1%, while non-manufactured exports (chiefly raw materials & agricultural products) rose 24.7%. Re-exports, meanwhile, saw a 19.0% rise.

**\*\*\*WalMart Says Tech Has Changed Peak Season Shipping Flow** ..... as the world's largest retailer, is expecting a "flatter" and much later peak season in the run up to Christmas, said transport vice president Kelly Abney. "The way we have been able to flow inventory closer to events is through improved technology ... and by working much more closely with our suppliers," Mr Abney said. Speaking at Dalhman Rose & Co.'s 4th annual Global Transportation Conference, Mr Abney said sales are more likely to move closer to Christmas, reported Newark's Journal of Commerce. "That has allowed us, through joint visibility of our supply chain, to be confident with staging that inventory much closer to events, without fear that we will have any kind of out-of-stock issues," he said. If this major change is true, rates & volumes will need to be recalculated.

**\*\*\*First U.S. Fruit To Sydney** ..... as the Dept. of Agriculture said this Sept. 12 that after 10 years of negotiations, U.S. cherries can now be exported to Western Australia, making cherries the 1st U.S. fresh fruit to gain access to that market. The market opening positions Australia as the 7th most valuable export market for U.S. cherries, USDA said. U.S. cherries from California have had access to eastern Australian states since the late 1990s and Washington & Oregon have been permitted there since 2001. Since that time, negotiations have been ongoing between Biosecurity Australia and USDA to gain access for U.S. cherries to Western Australia, which maintains its own regulations. A final push by importers in Western Australia resulted in the first cherry import into that Australian state last month. USDA said Australia is a rapidly growing market for U.S. cherries. In 2009, a record 2,334 metric tons of cherries valued at US\$15.6M

were shipped to the Australian market, compared with US\$1.4M in 1999 when the market 1st opened.

\*\*\***Left Over Stimulus** .... as payments to states for transportation projects completed under the 2009 economic stimulus law rose to more than US\$31.3Bn as of Sept. 9, leaving the Dept. of Transportation with nearly US\$17Bn still to pay out.

[www.recovery.gov/transparency/agency/reporting/agency\\_reporting1.aspx?agency\\_code=69](http://www.recovery.gov/transparency/agency/reporting/agency_reporting1.aspx?agency_code=69)

\*\*\***Union Pacific Railroad Upgrades Main Line** ... as it will invest nearly US\$300M over the next few years on its central corridor between Fremont, Neb., and Missouri Valley, Iowa. UP called the corridor "a primary shipping lane," with the investment part of the US\$3.3Bn the railroad plans to spend in 2011 on its 32,000-mile network. "When complete, this multi-year double-track project will help us operate more efficiently, increase train velocity & support our ability to add capacity as our customers' freight transportation needs grow," said Union Pacific. UP began construction this year on 3 miles of a second mainline and a 3-mile passing track west of Missouri Valley, with the work scheduled for completion by mid-2012. Ultimately, UP plans to add 29 miles of second mainline track between Fremont & Missouri Valley, a project that will save trains 2 to 4 hours travel time, the railroad said.

\*\*\***The U.S. Helping Hamd** .... as state-owned railway operator PT Korea Ape Indonesia (PT KAI), is receiving from the U.S. Trade & Development Agency (USTDA) a US\$593,954 grant to devise recommendations to upgrade its rail signalling & telecommunications systems. The works are needed to meet greater demand while ensuring the safety of the railway network, reports the American Shipper. The grant will fund a technical assistance programme that includes a review of existing rail transport corridors, recommendations for systems upgrades, and training workshops for capacity building for PT KAI rail operators & managers.

\*\*\***YRC Worldwide** (formerly Yellow Freight) **Plunges** .... as its stock dropped 77% on Sept. 23 to 7 cents a share — its lowest price ever — after shareholders approved the trucking giant's restructuring. The shareholders on Sept. 16 agreed to steps that will increase the number of common shares in the company's stock from 80 million to 1.9 billion. More than 350 million shares of YRC stock were traded on the Nasdaq exchange Sept. 23. The stock opened at 28 cents per share after closing at 30 cents on Sept. 22. Most of YRC's stock — 72.5% — will be owned by the company's banking group, with another 25% owned by YRC Worldwide's Teamster employees. Existing shareholders will be left with about 2.5% of the company's stock.

\*\*\***Schneider National Cubes LTL** ..... as the U.S. truckload carrier is consolidating less-than-truckload freight for customers with similar distribution patterns. The service is aimed at shippers, often competitors, with common routes, distribution and cross-dock locations and dispatch and delivery schedules. "Shippers are telling us that supply chain costs are now their number one cost of doing business," said Schneider. "That brings with it the need to be strategic & creative," even to the point of sharing a dedicated tractor-trailer with a competing company. More and more shippers are willing to do that, in various ways. Other carriers have offered "shared dedicated" or "collaborative distribution" services. Some shippers look for other companies with complimentary freight to help "cube out" or more completely fill a trailer, mixing lighter weight & heavier goods. The service is being rolled out in Portland, Ore., Sacramento, Calif., Los Angeles, Houston, Lenaxa, Kan., Jackson, Miss., Winchester, Va. and Memphis, Tenn. Schneider plans to expand IDS in the Midwest and the Dallas-Fort Worth area.

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

\*\*\***Schneider National Now Fracks** .... as it launched a new division this month to support energy companies extracting oil & natural gas through hydraulic fracturing. The company wants to hire as many as 500 truck drivers for the new division in Wyoming, Texas, Oklahoma, New Mexico, Arkansas, Louisiana & New York. Schneider, which operates a fleet of tank trucks as well as other types of vehicles, is the latest trucking company to expand into this growing energy-

related business. Companies engaged in hydraulic fracturing or, "fracking", use a high-pressure mixture of water, sand and chemicals to fracture shale, releasing oil and natural gas. The practice, used to free gas & oil previously unrecoverable from shale deposits as far as a mile underground, is widely used, but is also controversial.

**\*\*\*More Bald Truckers?** ...as truckload operator Gordon Trucking is tightening pre-hire screening of driver applicants, requiring hair samples for drug testing, aswell as urine samples. Since the trucking company and its lab partner Omega Laboratories began testing hair samples in July, 10 out of 170 potential driver candidates have tested positive for drug use. Hair testing is more expensive than urine testing but can detect drug abuse over a longer period. Almost twice as many samples test positive than in urine tests. Each half inch of head hair provides a 30-day history of drug use, while urine tests provide 2- to 3-day history in most cases, Omega Labs said. [www.omegalabs.net/abouthairtesting/hairtestingfaq/hairtestingfaq.aspx](http://www.omegalabs.net/abouthairtesting/hairtestingfaq/hairtestingfaq.aspx)

**\*\*\*UPS Brings Practical Customer Choice** ... as it will launch on Oct. 3 a new product called UPS My Choice, which is designed to make it easier for receivers of parcels to avoid missed deliveries. The company said out of the 5 million or so homes it visits each day, it leaves 100,000 to 200,000 missed delivery notices. Customers who sign up for the service will receive phone, e-mail or text alerts notifying them a day in advance of when packages will arrive and providing a 4-hour window for the delivery. They also will have the option to electronically authorize release of packages that require a signature and, for a US\$5 transaction fee, to reroute a package to another delivery address or have it delivered to the nearest The UPS Store location. Customers who might want to use the service frequently can pay a US\$40 annual subscription that would allow them to use the service as often as they like, but also gain access to an online delivery calendar that shows the status of UPS home deliveries and the option of a two-hour confirmed delivery window. A US\$5 transaction fee is charged only upon successful delivery of the package within the 2-hour commitment. The company noted the product should be useful to the growing number of consumers who are buying products over the Internet that are then delivered by parcel companies to their homes. It cited figures from the firm comScore, which said during the 2010 holiday shopping season U.S. consumers spent US\$32.6Bn online.

**\*\*\*DHL Global Forwarding Pharma Move** ... as this member of the Deutsche Post DHL group, and Lufthansa Cargo have changed the ownership of their 50:50 joint venture LifeConEx. The end-to-end life sciences cold chain logistics provider is now a 100% DHL subsidiary. [www.lifeconex-lcx.com/](http://www.lifeconex-lcx.com/)

**\*\*\*Exel On The Border** .... as this North American contract logistics unit of DHL Supply Chain, said it will build a 250,000-square-foot distribution center in Laredo, Texas, to serve as a hub for shipping across the U.S.-Mexico border. Officials expect to complete the multi-client facility by July 2012. Exel-DHL calls its integrated supply chain service Logistics Without Borders, reinforcing the idea the company can take out complexity from cross-border logistics and transportation by combining all aspects of freight handling with a single provider.

**\*\*\*Long Beach Hosts Int'l Industry Conference...** as the [Law Offices of Countryman & McDaniel](#) are pleased to be co-sponsoring the Int'l Trade and Transport Symposium in conjunction with the International Law Section of the Los Angeles County Bar Association, the International Assn. of Young Lawyers and preeminent transportation specialists from around the world. The Symposium will take place in Long Beach, California from Oct. 13-15. Please contact our firm for additional information regarding this highly anticipated event.

**\*\*\*SBS Hits The Books** .... as academic publisher, McGraw-Hill Education, has appointed SBS Worldwide as its freight forwarder & supply chain partner for all inbound air and sea moves. SBS will manage the logistics arrangements for cargo being delivered to the McGraw-Hill Education EMEA headquarters in Maidenhead, Berkshire, UK, which will include inbound shipments from a diverse range of locations, such as the U.S., Australia, Hong Kong & Singapore. The company will also facilitate a drop shipment service for direct delivery to customer

publishers and their respective freight shippers, a company statement said.

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

**\*\*Descartes Systems Group.** UP with 2nd quarter net profit of US\$2.6M, 30% more than US\$2M earned in the same period a year earlier.

**\*\*FedEx.** UP with 2nd quarter 2012 revenue of US\$10.52Bn, up 11% from US\$9.46Bn a year ago, and operating income at US\$737M was up 17%.

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

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

**\*\*\*Int'l Air Transport Assn. Lowers Aim** .... as its 2011 forecast for global air cargo revenue is cut to US\$67Bn from a US\$72Bn estimate in June, due to stagnant volume and weakening freight rates. Cargo volume will grow by just 1.4% in 2011, down from 5.5% predicted in June, the industry group said. The world's airlines are expected to transport 46.4 million metric tons of freight this year, down from the previous forecast of 48.2 million tons. Cargo traffic, which hit a post-recession peak in May 2010, largely driven by re-stocking, has stagnated through 2011. July traffic was down 4% from the peak and it is unlikely a revival in volume will begin before 2012, according to IATA. Freight yields likely will stagnate in 2011, down from an earlier forecast of a 4 % increase, due to an oversupply of belly cargo capacity on passenger aircraft.

**\*\*\*Lowest In 7 Months** .... as air cargo rates out of Asia fell 9.3% in July from the month before to the lowest point since Feb. as demand weakened and capacity increased, according to the Drewry Air Freight Price Index. Surveying rates out of Shanghai to major int'l airports, the Drewry index also declined 9% from the same month a year ago, the 9th straight year-on-year loss since its high point last Oct. At 99.1, the index has fallen nearly 17% since then and hasn't been this low since Feb., when shipping slowed down sharply during the Lunar New Year celebration in Asia.

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

**\*\*\*Industry Sees Bright Future** .... as the global aviation industry will create a demand for 900 new freighters by 2030, Airbus officials estimate in their latest Global Market Forecast. This projection, combined with the expected demand for 26,900 new passenger planes, signals good news for a sector that has been affected by the recent economic downturn. The price tag for the anticipated 27,800 new passenger & cargo planes is US\$3.5 trillion, according to Airbus. Fuel-efficient craft will top carriers' wish lists, with 10,500 of these planes replacing eco-inefficient jets, they estimated. The number of aircraft isn't the only increase anticipated in Airbus' Global Market Forecast, however. Representatives for the aircraft manufacturer projected airline traffic will more than double in the next 20 years, with revenue passenger kilometers increasing 4.8% per year. Airbus officials anticipate the Asia-Pacific will lead the world in aircraft demand, necessitating 34% of the new planes. North America & Europe are expected to trail behind the Asia-Pacific, both accounting for 22% of the 27,800 planes.

**\*\*\*Buying Carbon** .... as British Airways must pay a US\$68.4M tax - the highest of any airline - once forced to pay for "allowances" under the EU's carbon emissions trading scheme, reports London's Financial Times. The BA bill - US\$2.36 per passenger - is more than the US\$0.20 expected from Delta, says Peter Hind of the RDC Aviation consultancy, whose data are used in the Thomson Reuters Point Carbon study. Alitalia faces a bigger bill than Air France, because "its fleet is not as efficient and their planes are not as full, either of passengers or freight", said Mr Hind. BA's higher tax bill comes despite the fact that other large European carriers will face a smaller burden than American & Chinese carriers because they get an average 81% of the carbon "allowances" without charge while China and the U.S. will only get 64%. Airlines have been exempt from Europe's 6-year-old cap and trade scheme, the world's largest, which forces companies to pay for carbon emissions above certain limits. Carriers will now have to surrender

"allowances", each equal to one ton of carbon dioxide, to cover their annual emissions. A portion will be allocated for free but heavy polluters will have to buy more "allowances" now costing US\$16.36 each. Not the time for this.

**\*\*\*China Southern's Airbus A380 ....** as the 1st of 5 Superjumbos ordered back in 2005, is set for delivery on October 15. Carrier will operate a series of "A380 experience flights" from October 17-26 between Beijing and Guangzhou and from October 27-29 between Beijing & Shanghai. Although Emirates led the world's carriers by launching the 1st regular A380 service in China last April -- between Shanghai & Dubai -- China Southern will be the first Chinese flag to operate the aircraft. Carrier reportedly wants to fly the first A380 schedules on moneymaking routes, either between Beijing, and New York or Beijing and Paris – and is awaiting approval.

**\*\*\*Bad Month For Boeing's New Freighter ....** as after months of preparations and 2 years of delays, Boeing 747-8F launch customer Cargolux renounced delivery of the first 2 freighters 3 days before the carrier was set to procure them. The Sept. 16 announcement, which sent shockwaves throughout the airfreight industry, came amid plans for a 3-day ceremony commemorating the launch at Boeing's Everett, Wash.-based facilities. Boeing planned numerous festivities, including hiring a mystery musical guest, to celebrate Cargolux's scheduled Sept. 19 acquisition and subsequent 747-8 delivery on Sept. 21. It was a party put on hold, however. Citing "unresolved contractual issues," the Luxembourg-based freight carrier pulled out of the deal after board members expressed concern about the procurement. Industry rumblings suggest that an issue with the 747-8's engine was to blame. >>> Atlas Air Holdings, the 2nd largest customer for the 747-8F, also abandoned 3 of the jumbo freighters it has on order, reducing its overall order from 12 to 9 aircraft. The move, driven by schedule and performance issues on the early aircraft, advances the cargo carrier's 4th through sixth 747-8Fs built to deliveries later this year. The cancellation adds to the program's customer woes which began on Sept. 16 when launch operator Cargolux abruptly cancelled the delivery of its first 2 aircraft last week. Atlas received compensation for delays associated with its 747-8F order, which reportedly included operation of the four 747 Large Cargo Freighter Dreamlifters that act as the structural transport for the 787 program. Evergreen Int'l Airlines operated the fleet from Aug. 2007 to Sept. 2010.

[http://en.wikipedia.org/wiki/Boeing\\_747-8](http://en.wikipedia.org/wiki/Boeing_747-8)

**\*\*\*Boeing Presses New Freighter Forward ....** as Air Worldwide Holdings, a global provider of outsourced aircraft, has placed 2 of the new Boeing 747-8 Freighters with Panalpina. The pair has signed a new multi-year aircraft, crew, maintenance and insurance (ACMI) contract for 2 Boeing 747-8Fs. The aircraft will enter service in the 1st half of 2012 and operate in Panalpina's own-controlled air freight network, replacing the 2 smaller Boeing 747-400 freighters. The Boeing 747-8 freighter, 5.6 meters longer than the 747-400, is expected to be the largest, most efficient, long-haul heavy freighter in the market. The 747-8F is expected to provide 16% more revenue cargo volume compared with the benchmark 747-400F. Panalpina's healthcare clients will be the first to benefit from the newest freighter technology. There is high demand in large-freighter capacity in general, but particularly in healthcare for temperature-sensitive cargo, a company statement said.

[www.boeing.com/commercial/747family/747-8\\_fact\\_sheet.html](http://www.boeing.com/commercial/747family/747-8_fact_sheet.html)

**\*\*\*UPS Expansion In EU .....** as it has unveiled a move to commence a major project for its European air hub at Cologne/Bonn Airport in Germany that will raise the package sorting capacity to 190,000 per hour, up from 110,000 packages at present. The US\$200M works are intended to expand the existing building, and are slated for completion by the end of 2013, in part to be able to handle larger freight shipments, reports the UK's Transport Intelligence. It said the expansion project will mark the company's largest investment outside the US; and noted that the airport will allow the expeditor to fly at night until at least 2030. "The Cologne hub has served us well for 25 years and continues to be exactly where we need it in order to best serve our customers on the important trading lanes within Europe, and beyond to the Americas and Asia," said Jim Barber, president, UPS Europe.

**\*\*\*Delta Air Lines Tracks Sensitive Cargo** ..... as it has launched a new service enabling cargo carriers to utilize approved GPS devices to track high-value and time-sensitive shipments. It's a capability Delta officials said could especially benefit shipments of human organs, pharmaceuticals, movie films or technological prototypes. "With the option of greater visibility throughout the entire shipment lifecycle, we expect customer response to grow rapidly," Neel Shah, senior VP and chief cargo officer of Delta Cargo, said in a statement.

**\*\*\*Major Latin American Merger Approved** ..... as the Tribunal de Defensa de la Libre Competencia, the antitrust court in Chile, has approved the merger between LAN Airlines and TAM.

**\*\*\*New Temp Control Step Forward** ..... as the U.S. Federal Aviation Administration has awarded accreditation to Envirotainer for its RKN e1 electrical heating & compressor cooling air cargo container that is intended for use within the global life science and healthcare industries. The company said, in a statement, it has seen exceptional global demand for this product since it was first approved by the European Air Safety Agency (EASA) in June 2005. However, although it is regularly used on U.S. routes by int'l airlines, the FAA approval required for U.S. flag carriers to fly the container became held up in the EU-US aviation safety bilateral agreements it said. The FAA accreditation comes 6 months after the European & American authorities concluded a long-awaited bilateral agreement. Envirotainer has invested significantly in its RKN e1 technology and fleet. The RAP e2 provides greater volume capacity than the RKN e1 with its ability to accommodate five European or four U.S. pallets compared to the RKN e1's capacity for one European or U.S. pallet. Envirotainer has also commenced the FAA certification process for the RAP e2. It has about 725 RKN e1's in service and a further 75 will be added by the end of 2011, boosted by this latest development and to meet growing demand in all parts of the world.  
[www.envirotainer.com/products/RKNe1.asp](http://www.envirotainer.com/products/RKNe1.asp)

**\*\*\*Volumes >>> Hartsfield-Jackson Atlanta Int'l Airport** has been boosting the number of weekly cargo flights by more than 40% since last year, says an airport statement -- and starting from Sept., Asiana Airlines will operate 7 flights weekly, with daily 747-400 service. Last year, Atlanta airport increased flights 17% over 2009 and from January to June 2011, the airport moved 328,930 tons of cargo. >>> **Hong Kong's Cathay Pacific and Dragonair** combined cargo & mail volume decreased 11.8% to 131,448 tons in Aug. year on year with a load factor of 64.9%, as available cargo ton kilometer capacity rose one per cent. >>> **Hong Kong** freight volume fell 3.5% from July to Aug. and the 319,000 metric tons was the lowest level since Feb., a troubling sign for the Asia gateway heading toward the peak fall shipping season. Overall flight movements hit a high of 28,940, up 6.7% year-over-year during the month, but freighter operations fell 6.4% from a year ago and fell 3.5% from July. >>> **Japan Airlines** int'l cargo volume has sunk by 56.5% in July to 20,411 tons on a year on year basis, representing the 14th straight month of declines. >>> Aug. freight volumes dropped slightly for **Singapore Changi Airport**, with the airport handling 153,000 tons of cargo, a 0.9%, year-over-year, decline.

**\*\*\*Supremely Ungraceful Exit** ..... as U.S. Supreme Court Justice Ruth Bader Ginsburg, who is 78 and has battled cancer, was forced to slide down an emergency chute to evacuate a flight at Dulles International Airport on Sept. 14 that was grounded because of engine problems, a court spokeswoman said. Ginsburg was on her way from Washington to San Francisco and was not injured, said Supreme Court spokeswoman Patricia McCabe Estrada. The captain ordered the evacuation of United Airlines Flight 586 after smoke appeared out of one of the plane's engines, said United spokesman Mike Trevino. He said it wasn't clear what caused the smoke, and that the emergency chutes were used to speed the evacuation. In all, 179 passengers and 6 crew members evacuated. The plane returned to the terminal after the passengers were off.

**\*\*\*Southwest Airlines Mystery Symbols** ..... as it is investigating a rash of tagging incidents involving some of its passenger jets. According to an internal memo obtained by ABC15 in Phoenix, "These unauthorized markings typically appear as symbols or words tagged on the

exterior of the aircraft." A Southwest Airlines spokesperson confirmed to the station that markings are being written on the underbelly of 737s parked at the gate. The unauthorized markings surfaced in Feb., a spokesperson said in the statement. Southwest would not comment on the number of planes vandalized, where the incidents were reported or give specific details about what the markings were. According to the station, the writings resemble Arabic or Arabic-type symbols. Southwest had planned to handle the situation as "an internal vandalism issue," a memo from Southwest stated, but a company employee called in a news tip, after information about the investigation was posted in a memo on the company's internal blog. "We are asking your help to stop this and to report those responsible," the memo from South West read. It also said "the issue is taken very seriously," and the company plans "to work in cooperation with both local & federal law enforcement agencies until the issue is resolved."

**\*\*\* Air Cargo Yes, Mules No! .....** as drug smugglers from Iran have been sending meth amphetamines by airfreight to Malaysia, according to customs authorities, after netting 184 kilos of "ice" in two house raids in Kuala Lumpur. Officials arrested a 19-year-old Iranian in connection with the bust that was made at the end of last month. The drugs are estimated to have a street value of US\$14.9M, reports Agence France-Presse. Senior customs official Liah Omar said the meth amphetamines were hidden in crates labelled as ornaments and brought into the country as air freight. "As drug mules are often arrested because of tight security, the syndicates are trying new means to get drugs into the country and as air cargo scans are carried out randomly, they find it an easy way to smuggle drugs into the country," said Mr Liah. The report added that Iranians arrested on drug trafficking charges has shot up, with 138 detained from Jan. to Oct. 2010, compared to 16 in the whole of 2009, according to police figures.

**\*\*\*Sucking It In .....** as Brazilian federal police say an Irish man has been arrested with nearly 2 pounds of cocaine in his gut. Police identified the 20-year-old suspect only by his initials, P.B.K. Investigators said in a news release Sept. 16 he tried to board a flight in Sao Paulo, headed to Brussels. Officers became suspicious because the man appeared nervous. When questioned, he admitted he'd swallowed capsules of cocaine. He was taken to a hospital, where he expelled 72 capsules containing 1.8 pounds (830 grams) of the drug. The hospital released a CT scan showing the man filled with oval-shaped capsules. He was arrested on suspicion of international drug trafficking. If found guilty, he would face five to 15 years in prison. Elsewhere in South America, Bolivian authorities said a 30-year-old Spanish woman died when seven of 97 capsules filled with drugs burst inside her. Hugo Cuella, coroner in the eastern city of Santa Cruz, told the Unitel network that poisoning by the drug caused the woman's heart to stop Thursday while she was at the airport. He identified her as Esther Rodriguez Roy of Spain Authorities said they believed she planned to take a flight to Madrid. Prosecutor Carlos Ruddy Parada said tests were being conducted to determine the type of drug she had swallowed.

**\*\*\*Just Like Flying Coach .....** as most people have been on a plane with a few jackasses before. But 10 dozen donkeys on one flight? One hundred and twenty donkeys have arrived at a sanctuary in California on a plane from Hawaii chartered by the Humane Society of the United States. Tracy Miller, manager of Peaceful Valley Donkey Rescue in Tehachapi, said Sept. 18 the donkeys are "none the worse for wear" after the long flight and a two-hour drive Saturday that followed it. They are descendants of donkeys brought to Hawaii's Big Island to work coffee plantations then cast aside when they became obsolete. Recent drought conditions have brought hundreds of donkeys down from the mountains into developed Hawaii, where they have disrupted traffic and made other trouble for humans, inspiring a search for new homes.

<http://donkeyrescue.donordrive.com/index.cfm?fuseaction=donorDrive.eventDetails&eventID=522>

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

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

**\*\*\*Powerful Development ....** as the Sept. 22 announcement that the Panama Canal Pilots

Union voted to affiliate with the International Longshore and Warehouse Union (ILWU) has had a sobering effect upon employers on both the East and West coasts of the U.S., but no further significant developments are anticipated in the short term. Many are chilled to consider the power of a longshore union that can shut down the entire West Coast and a union in Panama that can choke off direct maritime commerce between Asia and the East Coast. Will the two unions maintain separate contracts with different start and stop dates? That has certainly been the case with the ILWU and its affiliate north of the border, ILWU Canada. However, shippers with a stake in the movement of goods in both areas can only wonder if affiliation will encourage them to support each other with job actions, such as work slowdowns or strikes? ILWU and Panama Canal Pilots representatives will work out the details of the relationship in the months ahead and will vote on resolutions at the next ILWU int'l convention in July 2012 in San Diego. Unrest on the west coast in recent days has produced a wildcat strike from longshoremen at ports of Seattle, Tacoma and Everett with an attack by ILWU members at the new US\$200M Export Grain Terminal (EGT) near the Port of Longview, southern Washington state. The vandalism consisted of physical damage to the facility where the union has demanded rights to work, with 400 longshoremen blocking a BNSF train from entering the EGT and in turn, cutting air brake lines, dumping the grain and holding security officials at the grain terminal.

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

**\*\*\*Arming The Good Guys - It's About Time** ..... as the UN's Int'l Maritime Organization (IMO) has given qualified approval of armed guards aboard cargo ships in Somalia's pirate infested waters "It is for each flag state to decide whether PCASP [privately contracted armed security personnel] should be on ships. It is up to that state to determine the conditions under which authorisation will be granted," said the IMO website statement. In a circular, the IMO's Maritime Security and Piracy Working Group of the Maritime Safety Committee said its "guidance on the use of privately contracted armed security personnel (PCASP) on board ships to counter Somali-based piracy has been approved". Security guards should be allowed by flag states for vessels at risk of piracy during transit, said the Int'l Ship Managers' Assn. (InterManager). Its call to arms against piracy must follow a IMO Best Management Practices 4 on employing armed guards, but the group still believes the freedom of choice should not be obstructed by flag states. So far the campaign has gained support from 90% of its 250,000 seafarers members. The group added: "Pirates are demanding increasingly larger ransoms as a result of which many ships are being held hostage for longer periods while owners attempt to negotiate deals. This can inevitably cause more personal stress to those captured and their families."

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

**\*\*\*The Founder Passes** ..... as **Keith Tantlinger**, whose invention set in motion the creation of the ubiquitous shipping container 60 years ago, has died at the age of 92, reported the New York Times. Tantlinger's box, large, heavy and metal, was the first commercially viable modern shipping container, though other shipping containers had been in existence for the better part of a century. Tantlinger's key refinement was the corner mechanism that locks containers together - allowing them to be lifted by crane, stacked high. More than any other innovation, this made the modern container revolution possible. The son of a citrus grower, Keith Walton Tantlinger was born in Orange, California, on March 22, 1919. He earned a bachelor's degree in mechanical engineering from Berkeley. During World War II, he worked for the Douglas Aircraft Company, precursor of McDonnell Douglas, where he designed tools used to produce B-17 bombers.

[http://en.wikipedia.org/wiki/Keith\\_Tantlinger](http://en.wikipedia.org/wiki/Keith_Tantlinger)

**\*\*\*Ocean Cargo Spring** ..... as import cargo volume at the busiest U.S. container ports is beginning to ramp up after a flat summer, the National Retail Federation and Hackett Associates said in their monthly Global Port Tracker report. The 10 ports the report tracks, handled 1.32 million 20-foot-equivalent units in July, up 6% from June but down 4% from July 2010. Aug. was expected to be flat, with last year at an estimated 1.42 million TEUs. The report said year-over-year comparisons were skewed by higher-than-normal shipments in the summer of 2010, when fears of tight shipping capacity caused many retailers to accelerate imports of holiday merchandise. "This year, retailers have the luxury of importing holiday goods later than last year,

which better ensures their inventory levels will accurately meet consumer demand," said the Federation. Year-on-year growth is beginning to resume in Sept., which the report predicts will rise 11.8% to 1.5 million TEUs. Oct. is forecast at 1.48 million TEUs, up 9.5%; Nov., 1.33 million TEUs, up 8%; and Dec. at 1.2 million TEUs, up 4.5%. Jan. 2012 is forecast at 1.19 million TEUs, down 1% from Jan. 2011. The total for 2011 is forecast at 15.4 million TEUs, up 4.3% from 2010.

**\*\*\*U.S. Containerized Exports UP** ... as in July rose 4.8% from a year earlier, boosted by double-digit gains in wastepaper, scrap metal and logs and lumber, PIERS data show. The increase followed a year-over-year decline of 1.7% in June. July's volume was up 7.6% from the previous month. Through the 1st 7 months of 2011, containerized exports were up 8.3%. July exports were led by increases of 13%, or 16,710 20-foot-equivalent units, in waste paper; 15% (an increase of 6,711 TEUs) in scrap metal and 31% (6,305) in logs & lumber. Northeast Asia was the destination for 44% of U.S. containerized exports in July. Exports to that region rose 7% year-over-year. Exports to China, which accounted for nearly half of Northeast Asia volume, rose 9% amid rising demand for wastepaper, lumber & wood pulp. Exports to Northern Europe, which accounted for just under 12% of the total, rose 6%. Exports to the Caribbean declined 12%. Shipments to Southeast Asia fell 4%. Scrap & wastepaper? America can do better.

**\*\*\*Building It's Infrastructure Continues** ..... as the Ministry of Finance in China has showed that the country collected US\$1.8Bn in port construction fees last year, 14.4% more than its target. The fees were collected on cargo using all facilities, including terminals, buoy and anchorages to raise funds for port construction.

**\*\*\*Hapag-Lloyd's Slide** ..... as rating agency Standard & Poor's revised its outlook for the German container shipping company from "stable" to "negative" but retained its old BB+ credit rating. "The outlook revision reflects Hapag-Lloyd's lower profitability in the first half of the year," said S&P credit analyst Izabela Listowska, reported Newark's Journal of Commerce. "We believe the company's cash flow protection measures may now fall short of the levels we view as rating-commensurate." Hapag-Lloyd, the world 5th largest container carrier, joins Marseilles-based CMA CGM, the world's 3rd biggest, & MISC Berhad of Malaysia, in having its outlook downgraded. Moody's rating agency also issued a negative outlook for Kuala Lumpur-based shipping company MISC Berhad, citing credit weaknesses, and cutting the rating for the world's 26th biggest container line to Baa1 from A3. Moody's and Standard & Poor's are tied for first place among global rating agencies, and have a combined market share of 80%, according to London's Economist newspaper.

**\*\*\*Japanese Carriers Slide** ..... as Moody's, one of the big 3 ratings agencies, has downgraded the outlook of Japanese carriers MOL & NYK because of weakened profitability and growing uncertainty in shipping industry, but their actual ratings, Baa1 for NYK and A3 for MOL, remain unchanged. Moody's does not rate the other Japanese major "K" Line. Moody's also expects the two Japanese carriers to "maintain stable profits overall" because they possess "long-term contract business and stable non-shipping operations", adding that "their large fleets give options for scrapping, slow steaming and cancelling charters." But it said these positive factors "are not enough to offset current negative factors, hence the change in outlook to negative".

**\*\*\*Horizon Lines Saved -- Again** ..... as brought low by crippling fines for price fixing, it has been rescued by a bridging finance deal of up to US\$25M provided by holders of US\$330M in 4.25% convertible senior notes, which will keep the company afloat. The Charlotte, North Carolina carrier plans to refinance the company by US\$655 M by end of Sept. in an exchange of debt included in US\$100M of newly issued second-lien notes to carry interest rates of 13 to 15%. Bondholders will now own 61.8% of shares that may rise to 95%, should its convertible notes be made into stock. The company's plight arises from a US\$45M fine for price-fixing on the Puerto Rico trade. Second quarter results showed a US\$7M loss against a US\$4.1M profit in the corresponding period last year.

**\*\*\*Largest U.S. Fleet Is German ....** as Maersk Line Ltd. and Rickmers-Linie (America) formed a partnership to carry breakbulk and project cargoes on two new U.S.-flag ships. The 19,000-deadweight-ton [M/V Maersk Illinois](#) & [M/V Maersk Texas](#) are to be converted from the Marshall Islands flag to the U.S. flag in Nov. Each of the vessels has a lifting capacity of up to 480 metric tons, twice the capacity of existing U.S.-flag multipurpose ships, the companies said. The new service will operate as Maersk-Rickmers U.S. Flag Project Carrier, or Maersk-Rickmers for short. Since 1983, Maersk Line Ltd. has managed and operated nearly 100 vessels of varying types & sizes, including multipurpose and roll-on, roll-off vessels. The company has the largest U.S.-flag fleet in commercial service. Rickmers-Linie, headquartered in Hamburg, is among the world's largest project cargo carriers.

**\*\*\*Long Beach No Longer #2 .....** as Port of Savannah this year became the 2nd biggest container export port in the U.S. on a tonnage basis, but the port needs to deepen its harbor to keep growing. During fiscal year 2011, ended July 1, Savannah handled 6.84 million tons of containerized export cargo, 2nd only to the Port of Los Angeles and ahead of Long Beach, according Dept. of Commerce data on which the GPA based its claim. To continue to grow, the port needs to deepen its harbor to allow larger ships able to pass through the expanded Panama Canal in late 2014. Savannah handled 8.7% of U.S. containerized cargo volume and 12.5% of all U.S. containerized exports during the fiscal year 2011. During the month of July, Savannah's container throughput was relatively flat year-over-year, increasing by a slim .005% from July of last year to 252,590 TEUs. July's volume was up 2.9% sequentially from June.

**\*\*\*Reefer Shift .....** as 75% of perishable cargo is likely to shift from special specialist reefer vessels to containerships by 2014, according to London's Drewry marine consultants. A Drewry Maritime Research report says the downward rate of charter rates against an emptying newbuild orderbook - currently at zero - will force the sector to use reefer slots on containerships. During 2010 the reefer sector lost 10% in charter rates and although forecast higher in 2011, it is still on a downward trajectory. The global reefer fleet stands at 691 vessels and, with scrapping to continue, it could dwindle to less than 200 within 4 years allowing containerships to acquire greater perishable market share.

**\*\*\*Hanjin Shipping Cash Call ....** as it plans to raise US\$405M through a Nov. stock issue, in what will be the South Korean ocean carrier's second stock issue in 4 months. The 40 million shares will be sold at US\$10.1288 per share on the Seoul Stock Exchange Nov. 24, Hanjin said in a regulatory filing. Hanjin raised US\$150M in July from the sale of 5-year convertible bonds to be used for general corporate purposes. Hanjin posted a group-wide net loss of US\$254M for the 2nd quarter, reversing a US\$191M net profit a year earlier. Group revenue fell 1.5% to US\$2.2Bn.

**\*\*\*Port of Rotterdam Authority Is Clean .....** as it has announced that it will be rewarding the 25 cleanest ocean-going vessels arriving at port with a discount on port dues this year and next.

**\*\*\*Port of Antwerp Digs Big ....** as the the 2nd largest port in Europe has begun construction on its largest lock - and the biggest in the world - at the head of Deurganckdoc on the left bank of the River Scheldt to accommodate ever larger containerships. The super lock will overtake its Berendrecht lock in depth by 4.3 meters to 17.8 meters, and will be 68 metres wide, equivalent to that of a 19-lane highway. It will open by 2016. The amount of steel used to construct the super lock will be three times that used to make the Eiffel Tower. The work will cost US\$469M, of which half will be financed by the European Investment Bank (EIB).

**\*\*\*Hitting The Bridge ...** as San Francisco Bay area government officials announced a civil settlement with the owner and operator of [M/V COSCO Busan](#), resolving damages, penalties and response costs that resulted from the oil spill that followed the containership striking the San Francisco-Oakland Bay Bridge in 2007. The U.S. Justice Dept., the state of California, the city and county of San Francisco and the city of Richmond, Calif., signed and lodged a consent decree that requires Regal Stone Ltd. and Fleet Management Ltd., owner & operator of [M/V COSCO Busan](#), to pay US\$44.4M for natural resource damages and penalties, and to reimburse

the governmental entities for response costs incurred as a result of the 53,000-gallon oil spill.

**\*\*\*NAMS Conference Learns Spectacular Legal Outcomes** ..... as on Sept. 13, the National Assn. of Marine Surveyors (NAMS) 43rd Annual National Marine Conference in Vancouver, B.C. Canada gathered for a dramatic multi-media presentation from the [Law Offices of Countryman & McDaniel](#) to learn the technical & legal aspects of major vessel losses from presenters [Michael McDaniel](#), [Geoff Gill](#) & [Christoph Wahner](#). Professional surveyors know the loss well, but seldom learn the final legal outcome -- or the technical reasoning of why.  
[http://en.wikipedia.org/wiki/National\\_Association\\_of\\_Marine\\_Surveyors](http://en.wikipedia.org/wiki/National_Association_of_Marine_Surveyors)

**\*\*\*Expect Vessel Arrest** ..... as Star Reefers said a leading Russian fruit importer that chartered its vessels has ignored a U.K. court order to pay US\$16.5M damages to the Norwegian refrigerated cargo ship operator. The High Court in London ruled in late August that a subsidiary of St. Petersburg-based JFC Group terminated 36-month charters on three Star Reefer ships 14 months early on spurious allegations over carrier performance. Several months prior to the cancellation, JFC's Cyprus-based unit Kalistad failed to pay charter fees on time and sought to renegotiate the charter rate. JFC didn't appeal the ruling and the Court ordered the company to pay the damages to Star Reefers by Sept. 6. JFC failed to comply with the order and the High Court has registered the company as a judgment debtor. The judgment is publicly accessible and regularly reviewed by banks, rating and credit agencies, creditors & suppliers, Star Reefers said.  
[www.jfc.ru/en/](http://www.jfc.ru/en/)

**\*\*\*The Dreaded Kharpa** .... as a 20-foot shipping container of rice has been returned to India after customs authorities in Los Angeles found evidence of a destructive beetle in the shipment. Customs officials said Sept. 16 that dead larvae were found on the outer seam of a bag of rice in an inspection earlier this month. Testing came back from the federal laboratories on Sept. 7 that confirmed the dead larvae were Kharpa beetles. The Kharpa beetle is a very destructive pest that eats stored grain, dried plants & dog food. Kharpa beetles are resistant to fumigation and can survive without food or water for long periods. As of Sept. 9, customs officials have intercepted 145 containers with Kharpa beetles at U.S. ports of entry this year.  
[http://en.wikipedia.org/wiki/Khapra\\_beetle](http://en.wikipedia.org/wiki/Khapra_beetle)

**\*\*\*Throughput >>>** APL, the container shipping arm of Singapore's Neptune Orient Lines, recently announced its performance between July 20 and Aug. 26, seeing an 8% year-on-year increase to 235,200 TEU, but 20% decline in revenue per FEU to US\$2,559 due to higher volumes, but lower freight rates on intra-Asia and Asia-Europe services. >>> Port of Busan's Aug. container volume rose 11.7% to nearly 1.4 million TEUs boosted by a 19.8% increase in transshipment to 659,710 TEUs -- and over the year, Busan's volume has increased 13.3% to 10.7 million TEUs, 45% of which is transshipment volume. >>> Port of Guangzhou's cargo traffic in the first 7 months of 2011 increased 16 % year on year to 7.3 million TEU, much of the rise attributed to Maersk using its Nansha terminal, which is closer to Shenzhen than Guangzhou city. >>> Ports of Los Angeles & Long Beach together suffered a 9.4% year-on-year decline in July imports with LA dropping 5.8% to 376,190 TEU and Long Beach of 14.2% to 267,198 TEU. >>> Port of New York & New Jersey grew 6.7% to 251,199 TEU in July on a month-to-month basis to the highest point of 2011 although container volume fell back compared to last summer's record high.

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

1779 - Captain John Paul Jones in Continental Navy frigate [Bonhomme Richard](#) captures [HMS Serapis](#).

1931 - LT Alfred Pride pilots Navy's first rotary wing aircraft, XOP-1 autogiro, in landings and takeoffs on board [USS Langley](#) while underway.

1944 - [USS West Virginia](#) (BB-48) reaches Pearl Harbor & rejoins the Pacific Fleet, marking the end of salvage & reconstruction of 18 ships damaged on 7 Dec. 1941.

1957 - [Bathyscaph Trieste](#), in dive sponsored by the Office of Naval Research in the Mediterranean, reaches record depth of 2 miles.

1990 - Two Hospital ships ([USNS Mercy](#) & [USNS Comfort](#)) steam together for 1st time in Arabian Gulf

1918 - Ensign David S. Ingalls, USNR, in a Sopwith Camel, shoots down his 5th enemy aircraft, becoming the first U.S. Navy ace while flying with the British Royal Air Force.

1960 - First nuclear powered aircraft carrier, [USS Enterprise](#) (CVAN-65), launched at Newport News, VA.

**\*\*\*Fast Cargo Carrier Born** ..... as Alabama-based Austal shipyard has built its joint high-speed vessel, named the [USNS Spearhead](#) ahead of delivery by the end of the year, as the first in a 10 catamarans that cruise at 35 knots. Work began on the first vessel in Dec. 2009, a catamaran for use in rapid intra-theatre transport of troops and military equipment. The aluminium 338-foot long ships sleep up to 146 crew, provide airline seating for up to 312 and have capacity for up to 600 short tons. With a range of 1,200 nautical miles they also have roll on/roll off capacity and shallow draft suited to landing troops & materiel. Three are still to be awarded construction options, reported American Shipper. Military Sealift Command is the Pentagon seagoing transport provider and is responsible for the operation of more than 110 civilian-crewed, noncombatant ships supporting military & humanitarian missions worldwide.

[http://en.wikipedia.org/wiki/Spearhead\\_class\\_Joint\\_High\\_Speed\\_Vessel](http://en.wikipedia.org/wiki/Spearhead_class_Joint_High_Speed_Vessel)  
<http://worldmaritimeneeds.com/archives/31205>

**\*\*\*The "Big Stick" Finds LA Home** ..... as the Secretary of the Navy (SECNAV) Ray Mabus announced Sept. 16 the U.S. Navy has donated the Battleship [USS Iowa](#) (BB-61) to the Pacific Battleship Center, a Los Angeles-based nonprofit on course to turn the ship into a permanent museum & memorial at the Port of Los Angeles. The donation [USS Iowa](#) to the Pacific Battleship Center, under the Navy's ship donation program, is the culmination of years of work by many dedicated volunteers. The [USS Iowa](#) is the only Iowa-class battleship that has not been saved and turned into a permanent museum, and was the last battleship available for donation. As the Pacific Battleship Center moves forward with the restoration of the USS Iowa, there are still opportunities to be part of this historic project. Contact [USS Iowa's](#) new caretakers at:

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

[http://en.wikipedia.org/wiki/USS\\_Iowa\\_\(BB-61\)](http://en.wikipedia.org/wiki/USS_Iowa_(BB-61))

[USS Iowa](#) Turret Explosion

[http://en.wikipedia.org/wiki/USS\\_Iowa\\_turret\\_explosion](http://en.wikipedia.org/wiki/USS_Iowa_turret_explosion)

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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 Sept. 2011: "**Taming 35**" - an incident at Quito

[www.cargolaw.com/2011nightmare\\_tame\\_quito.html](http://www.cargolaw.com/2011nightmare_tame_quito.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**>>>>>>

Cause of The Gulf's Deepwater Horizon Disaster - Final Report by U.S. Dept. of The Interior  
[www.boemre.gov/pdfs/maps/DWHFINAL.pdf](http://www.boemre.gov/pdfs/maps/DWHFINAL.pdf)

Extension of The U.S.-Canada Softwood Lumber Agreement (SLA)  
[www.gpo.gov/fdsys/pkg/FR-2011-09-15/pdf/2011-23676.pdf](http://www.gpo.gov/fdsys/pkg/FR-2011-09-15/pdf/2011-23676.pdf)

FMCSA Intent To Test U.S.-Mexico Cross-Border Long Haul Trucking Program  
[www.gpo.gov/fdsys/pkg/FR-2011-09-12/pdf/2011-23337.pdf](http://www.gpo.gov/fdsys/pkg/FR-2011-09-12/pdf/2011-23337.pdf)

Global Political Risk Map  
[www.intelligentinsurer.com/Global\\_Political\\_Risk\\_Map\\_2011.asp](http://www.intelligentinsurer.com/Global_Political_Risk_Map_2011.asp)

London Shipping Law Centre – Maritime Business Forum  
[www.shippinglectures.com/](http://www.shippinglectures.com/)

New Report: How To Identify Imported Products Likely To Violate Safety Rules  
[www.cpsc.gov/cpsc/pub/pubs/reports/cpsia222.pdf](http://www.cpsc.gov/cpsc/pub/pubs/reports/cpsia222.pdf)

Save Our Seafarers .....piracy must be stopped  
[www.saveourseafarers.com/](http://www.saveourseafarers.com/)

S&P Lloyd's Wall Chart 2011 - free  
[www.intelligentinsurer.com/Lloyds\\_Wall\\_Chart\\_2011.asp](http://www.intelligentinsurer.com/Lloyds_Wall_Chart_2011.asp)

Ten Years Later -- Remembering Twin Towers in Movie Cameos  
<http://creativity-online.com/work/dan-meth-twin-tower-cameos/24356>

U.S. Promotes Trade Goals To Enhance Access To Medicine - free whiye paper  
[www.ustr.gov/webfm\\_send/3059](http://www.ustr.gov/webfm_send/3059)

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

**Official Railway Equipment Register**  
<http://secure2.halldata.com/lo/land.do?w=745&form=2b&pk=LOE19J>

SeaIntel Marine Intelligence  
[www.seaintel.com/](http://www.seaintel.com/)

## **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)

5th Annual TPM Asia Conference ..... 11-12 Oct. 2011, Intercontinental Shenzhen, China

[www.tpm-asia.com/](http://www.tpm-asia.com/)

7th IATA Cargo Claims and Loss Prevention Conference! .....8 - 10 Nov. 2011, Shanghai - P. R. China

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

[www.iata.org/events/Documents/CCLP%202011%20Program.pdf](http://www.iata.org/events/Documents/CCLP%202011%20Program.pdf)

7th International Freight Forwarders Conference ..... 25 – 27 Nov. 2011, Hotel Novatel, Singapore

<http://fnc-group.com/Default.aspx?pagelid=1097820>

8th China Air Cargo Summit 2011 ..... Oct.12-14, Shenzhen, PRC

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

Air Cargo & Seacargo Americas ..... 2 - 4 Nov. 2011, Miami, FL

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

Arctic Shipping North America Conference ..... 12 – 13 Oct. 2011, Sheraton Hotel Newfoundland, St John's

[www.informaglobalevents.com/FKT2243MLEM08](http://www.informaglobalevents.com/FKT2243MLEM08)

Breakbulk Africa Transport Congress ..... 2-3 Nov. 2011, Park Hotel, Bremen, Germany

[http://breakbulkevents.com/index.php?section=breakbulk\\_africa\\_2011\\_fees](http://breakbulkevents.com/index.php?section=breakbulk_africa_2011_fees)

FIATA World Congress 2011 .....16 to 21 Oct., 2011 in Cairo, Egypt

[www.fiata2011.org/](http://www.fiata2011.org/)

Int'l Conference on Logistics and Multimodal Transport .....9-11 Oct. 2011, Las Palmas, Canary Islands, Spain

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

TOC Americas 2011 .....15-17 Nov. 2011, El Panama Hotel, Panama City Panama

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

WMU's Piracy Conference ..... 17-19 Oct 2001, Malmo, Sweden

<http://icopas2011.wmu.se/>

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

### **Airplane Flies like A Bird**

[www.flixy.com/airplane-flies-like-a-bird.htm](http://www.flixy.com/airplane-flies-like-a-bird.htm)

British Airways - To Fly. To Serve.

[www.youtube.com/watch?v=a4JdQi60an0&hd=1](http://www.youtube.com/watch?v=a4JdQi60an0&hd=1)

Concorde G-BOAC Comes Alive Again! - to fly?  
[www.saveconcordegroupp.co.uk/news/concorde-g-boac-comes-alive-again/](http://www.saveconcordegroupp.co.uk/news/concorde-g-boac-comes-alive-again/)

Driving The Tsunami  
[www.fliixy.com/japanese-tsunami-viewed-from-a-car.htm](http://www.fliixy.com/japanese-tsunami-viewed-from-a-car.htm)

The Eunuch Admiral -- China's Greatest Seafarer  
<http://alumni.berkeley.edu/news/california-magazine/fall-2011-good-fight/eunuch-admiral>

Hong Kong Kai Tak Airport (1925 - 1998) - absolutely amazing film! Reminders of the harrowing approach  
<http://aircargonewscom.c.topica.com/maapkidab56JOcmHDmacaehn7Q/>

Inside Gaddafi's Private A340  
[http://s275.photobucket.com/albums/jj283/readytotaxi/news/?action=view&current=\\_BBCNEWS\\_20110827\\_190319.mp4](http://s275.photobucket.com/albums/jj283/readytotaxi/news/?action=view&current=_BBCNEWS_20110827_190319.mp4)

The RadioShack: Engineering for Space Vehicles  
[www.simulationengineeringsummit.com/redForms.aspx?id=532416&sform\\_id=619914](http://www.simulationengineeringsummit.com/redForms.aspx?id=532416&sform_id=619914)

Virgin America Videos  
[www.youtube.com/user/VirginAmerica?v=mXk3AKO8wAM&feature=pyv&ad=12751097867&kw=virgin%20america%20airlines](http://www.youtube.com/user/VirginAmerica?v=mXk3AKO8wAM&feature=pyv&ad=12751097867&kw=virgin%20america%20airlines)

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

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

***American Trucking Assn. vs. The City of Los Angeles***

U.S. 9th Circuit Court of Appeals  
No. 10-56465, 26 Sept. 2011

The U.S. 9th Court of Appeals ruled that the Port of Los Angeles can't bar truck owner-operators from the port. The port's 2008 clean truck program required motor carriers moving containers to and from the port to enter into concession agreements which set forth 14 requirements, including one that said within 5 years port drayage drivers must be employees of licensed motor carriers.

The American Trucking Assn. (ATA) had challenged 5 provisions of the concession agreements that had been upheld by a district court, but the 9th Circuit, while affirming other parts of the lower court's decision, said it did not agree the employee driver requirement was legal.

It said the employee-driver provision was preempted by the Federal Aviation Administration Authorization Act (FAAA Act), which says a state or political subdivision of a state such as a port "may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of any motor carrier."

ATA hailed the decision. There was no immediate reaction from the port. Read the official decision

[www.shippers.com/enewspro/t.aspx?S=2&ID=2775&NL=5&N=2877&SI=23758&URL=http%3a%2f%2fwww.ca9.uscourts.gov%2fdatastore%2fopinions%2f2011%2f09%2f26%2f10-56465.pdf](http://www.shippers.com/enewspro/t.aspx?S=2&ID=2775&NL=5&N=2877&SI=23758&URL=http%3a%2f%2fwww.ca9.uscourts.gov%2fdatastore%2fopinions%2f2011%2f09%2f26%2f10-56465.pdf)

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Written from wire stories, the Associated Press, Reuters, Hong Kong Shipping News Lloyds &

other world sources.

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