

Good Leap Year Night from our Observation Deck.....overlooking the officially designated "**Cargo City**" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**"

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

**Here is what happened in our industry during the Month of February 2012.** We just attended **MODEX 2012** in Atlanta and recommend for you next year.

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)

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**INDEX to The Cargo Letter:**

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

**\*\*\*Not In The U.S. For 30 Years! FIATA Comes To Los Angeles**

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

- 1. **Freight Forwarder Trade Briefs** \_\_\_\_\_
- 2. **The Cargo Letter Financial Page** \_\_\_\_\_

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

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

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

- 4. **FF World Ocean Briefs** \_\_\_\_\_
- 5. **The Cargo Letter Cargo Damage Dispatches** \_\_\_\_\_

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

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

- 6. **The Cargo Letter "Cyber Ports of Call"** \_\_\_\_\_

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

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

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

**\*\*\*Not In The U.S. For 30 Years** ..... as the **2012 FIATA World Congress** makes its way to Los Angeles this October. The International Federation of Freight Forwarders Associations (**FIATA**) is the world's largest non-governmental organization dedicated to transportation. FIATA has consultative status with the United Nations and is recognized as representing the freight forwarding industry globally through 115 national association members and 5,600 company members. The FIATA World Congress is the premier event for the international freight forwarding industry.

The **Transportation Intermediaries Association** (TIA) will host the 2012 FIATA World Congress and it's legendary array of educational presentations, policy making sessions, exhibition demonstrations and social events.

New this year is "**FIATA Connect**" which gives delegates outstanding networking opportunities to schedule one-on-one appointments throughout the conference with exhibitors, sponsors and other

delegates to discuss business opportunities and critical issues affecting the industry.

Los Angeles offers unique attractions and will be an exciting and challenging venue for the 2012 event. [L.A.is](#) the world's largest entertainment center, where more than half of the films and videos we watch and much of the music we listen to are produced. Only in the **City of the Angels** can one visit extraordinary art collections, walk Rodeo Drive, tour a movie studio, celebrate the magic of Disneyland -- and go both snow boarding and body surfing in the same day! **Don't be disappointed**, apply for your U.S. Visa now!

**Countryman & McDaniel** is a proud member of the 2012 FIATA World Congress Committee.

[www.fiata2012.org/ehome/index.php?eventid=23377&](http://www.fiata2012.org/ehome/index.php?eventid=23377&)  
[www.facebook.com/pages/Transportation-Intermediaries-Association/117074095521](http://www.facebook.com/pages/Transportation-Intermediaries-Association/117074095521)  
[www.cargolaw.com/](http://www.cargolaw.com/)

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

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

**\*\*\*White House To Consolidate Trade Departments?.....** as the White House has proposed a reinstatement of Presidential authority to reorganize & consolidate the federal government and to use that authority to consolidate a number of agencies into a single Department focused on business and trade. On February 16, 2012, the President submitted his legislative proposal, the "Reforming and Consolidating Government Act of 2012," to Congress and urged a "prompt and favorable" consideration. In the initial proposal, the six agencies and departments that would be consolidated are:

- **U.S. Dept. of Commerce, core business and trade functions only**
- **Small Business Administration**
- **Office of the U.S. Trade Representative**
- **Export-Import Bank**
- **Overseas Private Investment Corporation**
- **U.S. Trade & Development Agency**

[www.whitehouse.gov/sites/default/files/omb/legislative/letters/reorg-authority-letter-and-legislation-to-speaker-of-the-house.pdf](http://www.whitehouse.gov/sites/default/files/omb/legislative/letters/reorg-authority-letter-and-legislation-to-speaker-of-the-house.pdf)

**\*\*\*In Bond Rules Change Proposed .....** as U.S. Customs and Border Protection on Feb. 22 published a notice of proposed rulemaking that would make substantial changes to the way imported merchandise is transported inland under a bond, enabling the cargo owner to defer payment of duties until it reaches the destination port or is exported. The primary fixes involve making the in-bond process electronic and tightening up procedures to better track merchandise and prevent diversion. In the past, CBP has had difficulty ensuring that in-bond merchandise is properly entered and duties are paid, or that it is exported. The proposed rule would require carriers or their agents to file electronic, instead of paper, in-bond applications. The application would also require additional information, including the six-digit Harmonized Tariff Schedule number, if available, and information related to the safety and security of the goods. Proposed rules:

[www.gpo.gov/fdsys/pkg/FR-2012-02-22/pdf/2012-2819.pdf](http://www.gpo.gov/fdsys/pkg/FR-2012-02-22/pdf/2012-2819.pdf)

**\*\*\*Small Business Export Assist .....** as the Obama Administration has launched a new online platform, **BusinessUSA**, to provide small businesses and exporters with a single source of pertinent information about federal programs available to them. For the logistics questions, businesses can find tools and information covering export financing, counseling and training to help them sell goods and services overseas, as well as various federal loan offerings. The **BusinessUSA** initiative hopes to modernize the federal government's customer service channels and help streamline the process for today's innovators and entrepreneurs to get their hands on information to help make better decisions.

<http://business.usa.gov/>

**\*\*\*Mexico's E Window .....** as on March 1, 2012 Mexico is scheduled to implement its Unique Window, "Ventanilla Unica" (VU), a tool which will allow importers & exporters to electronically submit both commercial documents and declarations to Mexican Customs. Importers & exporters will have two options for transmitting the commercial invoice:

- 1) Convert the invoice information into XML (Extensible Markup Language) format, using the standards set by Mexican Customs & upload it electronically.
- 2) Input and transmit the invoice information directly through the VU portal.  
[www.ventanillaunica.gob.mx/envucem/index.htm](http://www.ventanillaunica.gob.mx/envucem/index.htm)

**\*\*\*Argentina's New Permission To Import** ..... as a new advance import declaration, **Declaración Jurada Anticipada de Importación** (DJAI), must now be completed for all shipments prior to entry into Argentina. Customs will have up to 72 hours to authorize the import, with other government agencies having up to 10 days to provide their approval, if applicable. Once the permission is granted, the shipment must be submitted to Customs within 180 days, with the option to extend this period for an additional 180 days (360 days total). Shipments which are refused will not be allowed to move into Argentina.

**\*\*\*Russia's Scrap Clamp** ... as it has traditionally been a major exporter of steel scrap. However, since 2007, the country's scrap exports have dropped due to a combination of export taxes & administrative measures. As part of its accession to the WTO, Russia has agreed to substantially reduce, but not eliminate, its export tariffs on steel scrap. New actions by the Russian government limit exports of steel scrap by restricting the ports through which scrap can be exported. A Russian Customs regulation adopted on Feb. 13 permits the export of scrap in Russia's Far Eastern Federal District only through the far northern port of Magadan. The regulation prohibits scrap exports through the ports of Vladivostok & Nakhodka, even though these ports handle almost 90% of Russia's scrap exports in the Far East. St. Petersburg has been by far the largest shipping point for Russian exports of scrap from the northwestern part of the country, accounting for about 87% of scrap exports in 2011. "The exclusion of Vladivostok, Nakhodka, and St. Petersburg from the list of permissible shipping points represents a clear effort by Russia to erect yet more administrative barriers to exports of steel scrap, to the benefit of its domestic steel producers," the American Scrap Coalition said. The American Scrap Coalition represents companies and industries that use scrap steel as a raw material.

**\*\*\*The UPS Bid For TNT Explodes** .... as shares in the Dutch document and small package delivery company TNT Express rose sharply on Feb. 10, after it rejected an unsolicited acquisition bid from UPS on Feb. 17. Bloomberg reported the unsolicited bid was for US\$6.43Bn, which is 42 % above TNT's stock price. The report said this offer was turned down by TNT's board, citing a company statement, which added the companies still remain in discussions. UPS officials confirmed in a statement that on February 11, following discussions with TNT, it made a revised, increased and comprehensive proposal to acquire the entire issued share capital of TNT for EUR9 per share in cash. While it has been said FedEx may also make an offer for the company, both FedEx and UPS have made it obvious they don't need TNT. Last year, TNT was divided into two companies, one which was TNT Express, and the other Post NL which focuses on mail, parcels and e-commerce in the Netherlands, in addition to Germany, Italy and the United Kingdom. In 2006, TNT sold its logistics division to Apollo Management. The business merged with Eagle Global Logistics and now operates under the name CEVA. UPS had revenue for the full-year 2011 of US\$53.1Bn. For the first 9 months of 2011, TNT had revenue of US\$7.1Bn.

**\*\*\*UPS Acquires Kiala** .... as the firm based in Brussels provides convenient delivery options to busy consumers purchasing goods over the Internet. Kiala was launched in 2001 as a private firm and currently operates in five countries: Belgium, France, Luxembourg, the Netherlands and Spain. It has developed a platform that enables e-commerce retailers to offer their shoppers the option of having goods delivered to a convenient retail location. The acquisition will broaden UPS' service portfolio for business-to-consumer deliveries.  
[www.kiala.com/](http://www.kiala.com/)

**\*\*\*ATA Blasts Hours of Service Rules** ..... as the lobbying group for the trucking industry has asked a federal appeals court to review a recently published hours-of-service rule for commercial drivers, citing "changed assumptions" by the agency that went into developing the rule. "We regret that [Federal Motor Carrier Safety Administration] and the Obama administration have put ATA and its member companies in a position to take this legal action," read a statement from Bill Graves, president of **American Trucking Associations**, which filed the lawsuit. The HOS rule, released in late Dec., reduces total driver hours to 70 from 82 per week, and requires a 34-hour rest period before drivers start a new workweek. ATA has objected in recent weeks to the 34-hour restart provision and a requirement that drivers take a break no later than 8 hours into their driving time.

**\*\*\*Driving To China** .....as the Hong Kong government plans to permit owners of private cars to drive into China's southern Guangdong province. The Hong Kong General Chamber of Commerce will assist

applicants in meeting the requirements from Chinese Customs. These include applying for ATA Carnet for self-drive scheme, filing for electronic record and taking out carnet insurance for the car. ATA Carnet is an international customs document that permits goods to be imported into a country temporarily duty-free. ATA Carnets can be used in 71 countries, including the UK, the US and many European and Asian countries. The chamber is the sole authorised issuing and guaranteeing agent of ATA Carnets and issued over 6,000 Carnets covering export value of more than US\$15.5 billion in 2011.

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

**\*\*\*Con-way Freight's Addiction ....** as it has become hooked on the the iPad 2. According American Shipper Magazine, Conaway adopted the Salesforce.com as its new CRM platform on the iPad. Conaway said the Salesforce apps the company uses have been customized for the iPad to address its needs in the less-than-trailerload business, data mining and business analytics tools. Conaway said the best way to illustrate the success of the iPad is to look at its performance so far. In 2011, Con-way distributed iPads to 391 sales executives and through its re-engineering initiative, a combination of Salesforce.com, IBM Microstrategy and the iPad, allowed the company to reduce its sales force by 27% while increasing its customer reach by 45%. Wasn't Apple mocked for years for not being as cool as the PC? Times change.

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

**\*\*\*UPS Honors ....**as it has announced the induction of 1,235 drivers into its elite "Circle of Honor," raising to 5,842 the number of drivers who have steered clear of accidents for 25 years or more. The number of new inductees is the largest for any single year in the company's history and includes 31 new members from Canada and Germany. Collectively, the 5,842 drivers have logged more than 5.3 billion miles and more than 161,746 years of safe driving through their careers. That's enough miles to circle the earth 212,000 times. Of the Circle of Honor members, 322 have been accident-free for 35 or more years, with 33 of those having driven more than 40 years without an accident. UPS's top safe driver in 2011 is Ohio Valley District tractor-trailer driver Ron "Big Dog" Sowder, who has achieved 50 years and over 4 million miles of driving without an accident.

<http://pressroom.ups.com/Press+Releases/Current+Press+Releases/UPS+Drivers+Establish+%22Remarkable%22+Safety+Record>

**\*\*\*MODEX 2012.....**as the Countryman & McDaniel lawyers attended the industry's newest expo for the manufacturing, distribution and supply chain industries. Held this month at Atlanta's sprawling World Congress Center, over 500 vendors were introducing the latest and greatest tools and solutions aimed at speeding the flow of goods into, out of and throughout warehouses and distribution. MODEX keynote speaker Alberto Aleman Zubieta, CEO of the Panama Canal Authority, spoke with pride about the expansion of the canal, which began in 2007 and is scheduled to be completed in 2014. centers. With isle upon isle of whirling machines and automated logistics systems -- our favorite notice read "Do Not Feed The Robots". MODEX 2013 will be worth your time.

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

**\*\*\*Shame of The Rhino .....** as the U.S. Justice Dept. said 7 people were arrested on charges of trafficking in endangered black rhinoceros horn this month in Los Angeles, New York, and Newark, N.J. Special agents of the Fish and Wildlife Service and Immigration and Customs Enforcement (ICE) made the arrests and have issued search warrants in 5 states as part of "**Operation Crash**," a multi-agency effort to investigate and prosecute those involved in the black market trade of endangered rhinoceros horn. In Los Angeles, Jin Zhao Feng, a Chinese national who allegedly oversaw the shipment of at least dozens of rhino horns from the United States to China, was arrested Feb. 22. Last weekend, members of an alleged U.S.-based trafficking ring that supplied rhino horns to Feng were arrested after being charged with conspiracy and violations of the Lacey Act and the Endangered Species Act for purchasing rhino horns from various suppliers in the United States. Charges were filed against Jimmy Kha, the owner of Win Lee Corp.; his son Felix Kha; and Mai Nguyen, the owner of a nail salon where packages containing rhinoceros horns were being mailed. One of the alleged suppliers, Wade Steffen, was arrested in Hico, Texas, and charged in Los Angeles. According to a criminal complaint filed in U.S. District Court in Los Angeles, the Khas began receiving packages from Steffen and another supplier in 2010. Seventeen packages were opened under federal search warrants and 37 rhinoceros horns were found. A search of Steffen's luggage at the Long Beach Airport in California on Feb. 9, 2012 turned up US\$337,000 in cash. In additional searches conducted by Fish and Wildlife and ICE, agents found rhinoceros horns, cash, bars of gold, diamonds and Rolex watches. About US\$1M in cash was seized and another US\$1M seized in gold ingots. In New Jersey, Amir Even-Ezra was arrested Feb. 18 on a felony trafficking charge in violation of the Lacey Act after buying rhino horns from an individual from New York at a service station

off of the New Jersey Turnpike. Even-Ezra allegedly brought a scale for weighing the horns and envelopes of cash to the meeting, which was brokered by an individual outside of the United States, the Justice Dept. said. In U.S. District Court in Manhattan, antiques expert David Hausman was also charged with illegally trafficking rhinoceros horns and with creating false documents to conceal the illegal nature of the transaction, both in violation of the Lacey Act. Hausman allegedly purchased a black rhinoceros mount (a taxidermied head of a rhinoceros) from an undercover officer in Illinois and was later observed sawing off the horns in a motel parking lot. Rhino horns were found in a search conducted on Feb. 18, following his arrest. Rhino horn is a highly valued and sought-after commodity, which is used by some cultures for ornamental carvings, good luck charms or alleged medicinal purposes. If convicted, maximum penalties under these charges are up to five years in prison and a US\$250,000 fine for conspiracy; 5 years in prison and a US\$250,000 fine for Lacey Act violations; and up to one year in prison and a US\$100,000 fine for violations of the Endangered Species Act. **Lock these guys up!**

[http://en.wikipedia.org/wiki/Lacey\\_Act\\_of\\_1900](http://en.wikipedia.org/wiki/Lacey_Act_of_1900)

[http://en.wikipedia.org/wiki/Endangered\\_Species\\_Act](http://en.wikipedia.org/wiki/Endangered_Species_Act)

**\*\*\*Buzzing With Thanks** .... as the U.S. honeybee population is safer today after U.S. Customs officers at the Port of Norfolk in Virginia recently intercepted a red mason bee hitchhiking in a container of household goods from the United Kingdom, the agency said. It is the first known interception of the red mason bee, which is commonly found in the United Kingdom, and is not established in the United States. Inspectors found the insect within a rolled rug and called in agriculture specialists to identify the pest. The bee pupae had parasitic mites. It could have had a devastating impact on domestic honey bees, CBP said.

**\*\*\*Thanks A Million & Please Pass The Ponga** ..... as a California-based Seafood Solutions Inc. was sentenced in federal court in Los Angeles Monday to pay US\$1M in fines and community service payments for its role in the false labeling of frozen fish fillets, according to the U.S. Justice Department. Prosecutors said Seafood Solutions misleadingly labeled fish imports as "Paradise Grouper" and "Falcon Baie Grouper." According to plea agreements for two co-defendants, Seafood Solutions in 2004 began to sell fish it declared to U.S. Customs as "ponga," a species of fish in the catfish family. The fish was then sold under the brand names, and in boxes labeled in part as grouper. You charged me for Grouper? Really?

**\*\*\*No, YOU Were Supposed To Grab The Loot!** .... as there's nothing like a flat tire to ruin a carefully planned heist. Spanish police say hooded thieves crashed a van into a **SEUR** courier service warehouse vault and made off with sacks of valuables on Feb. 25. They then fled in a waiting Audi, but crashed into another car as they merged onto a Madrid highway. That caused the flat. The 4 thieves carjacked another vehicle at gunpoint. No one was hurt and the thieves got away - but left most of their booty in the back seat of the damaged Audi. The courier service SEUR said the stolen goods were things of "special value" worth no more than US\$67,000, although Spanish newspapers said the amount was much higher. El Mundo said the loot included diamonds and Rolex watches. Sorry SEUR, this happens, and the public cannot hold us to the standard of insurers.

[www.seur.es/](http://www.seur.es/)

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

**\*\*Atlas Air's. DOWN** as 4th quarter net income fell from US\$41.6M to US\$33.5M, year-over-year.

**\*\*Box Ships Inc. UP** as it has posted a net profit of US\$5.57M in the fourth quarter of 2011.

**\*\*Costamare** (owner of the vessel **M/V Rena** which went aground in New Zealand in Oct.) **UP** with a profit of US\$26.1M in the 4th quarter ending Dec. 31, compared to US\$11.8M in the fourth quarter of 2010.

**\*\*CSAV. DOWN** with a loss of US\$380M in the fourth quarter 2011, compared to a loss of US\$7.2M in the fourth quarter of 2010.

**\*\*Danaos** (containership chartering). **UP** with profit of US\$9.1M in the 4th quarter of 2011, compared to a loss of US\$8.9M in the same 2010 period.

**\*\*Echo Global Logistics. UP** with a profit of US\$3.5M in the 4th quarter of 2011, a 33.4% increase over the US\$2.6M earned in the same 2010 period.

**\*\*Expeditors International. UP** with profit of US\$385.7M in 2011, up 12% year on year drawn on revenue growth of 3% to US\$6.15Bn.

**\*\*Hapag-Lloyd. UP** with operating profits of US\$130.7M in 2011, a year in which most global carriers are expected to report a loss.

**\*\*Neptune Orient Lines** (NOL, which owns APL) **DOWN** as the world's 6th largest container shipping

company, has posted a US\$478 net loss, drawn on revenues of US\$9.21Bn, down 2%.

**\*\*Qantas Freight. DOWN** as 2nd half pre-tax profit fell US\$3M to US\$38M year on year from earnings of US\$38M the previous year.

**\*\*Shipping Corporation of India (SCI). DOWN** with 3rd quarter net profit decline of 40% to US\$15.12M, drawn revenue of US\$270M, up 36%.

**\*\*United Parcel Service (UPS). UP** with net profits of US\$1.2Bn in the last quarter of 2011, up 9.3%.

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

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

**\*\*\*Mixed Volumes ....** as air freight volumes declined 0.7% in 2011 with Asia-Pacific falling 1.9% and North America declining 1.8%, according to the Airports Council Int'l (ACI). But ACI also reported European volumes increased 1.9%, with Africa up a robust 10% and Latin America hitting 5.4% in domestic cargo movement while outside Latin American international freight fell 0.7%, reported the UK's Transport Intelligence.

**\*\*\*China To Defy Carbon Tax .....** as it's airlines have been ordered by the Civil Aviation Administration of China (CAAC) not to pay a penny of European Union carbon emissions taxes, reports Xinhua New Agency. The EU's emissions trading scheme, launched in 2005 for shore side factories and plants, has included airlines from the first of the year. Airlines that refuse to comply could be fined and denied landing rights in the 27-nation EU. More than two dozen countries, including India, Russia, China and the United States, have opposed the move, saying it violates int'l law. A U.S. legal appeal to the highest EU court was rebuffed.

**\*\*\*Questionable Time For Freighters .....** as 2011 ended with pure freighter companies, Cargoitalia and Jade Cargo, exiting the freighter market. Combination carriers were also bracing for rough skies ahead. Cathay Pacific deferred delivery of two of the six B747-8Fs due this year to 2013, and EVA decided to sell two, if not three, of its MD-11 freighters. Industry analysts and carrier executives alike expect further casualties among freighter operators. "There will be some exits. Operators will decide no longer to invest in cargo aircraft," predicted Robert Song, vice president, Asia Pacific, at AirBridgeCargo Airlines. Nick Rhodes, director and general manager of Cathay Pacific Cargo, said it's tough to be a freight operator in today's market. If the carrier focused exclusively on cargo aircraft, he admitted, "we would be struggling to produce black figures at the moment." For Cathay, located in close proximity to the world's largest manufacturing center, it makes sense to be a player with a global network, which requires a freighter fleet of a certain size — about 24-30 all-cargo aircraft, he said. But he added that for carriers located further away from large sources of product, the equation looks different. "If I were Air New Zealand or a European carrier," he said, "I would have to ask myself if I need a big freighter fleet."

**\*\*\*Singapore Airlines Retracts Capacity ...** as SIA has curbed its cargo capacity 20% owing to soft demand and high fuel prices, and the reduction will continue into the northern summer operating season that begins late next month. "The air cargo market has shown weakness for the past 9 months, and the depressed demand that we are seeing across all markets gives us little reason to be optimistic about the near-term outlook," SIA Cargo president Tan Kai Ping said in a statement. This echoes what Cathay Pacific, the world's largest air cargo carrier, said earlier that the cargo market is expected to remain weak in the first half of this year. Industry analyst at RBS Andrew Orchard told Reuters: "Cargo demand over the last year has been very weak. Airlines are still running their cargo schedules a little too high and load factors have been falling for some time now. SIA Cargo currently operates 13 Boeing 747-400 freighters."

**\*\*\*Boeing Sees Long Term Growth .....** as it has forecast the delivery of 11,450 new aircraft in Asia Pacific worth US\$1,500Bn over the next 20 years, to meet 6.7% annual traffic growth. "The number of airplanes in the Asia Pacific fleet will nearly triple, from 4,410 airplanes in 2010 to 13,480 airplanes in 2030," Boeing said. Airbus has forecast the Asia-Pacific region to take delivery of approximately 9,370 new aircraft worth US\$1,300Bn over the next 20 years, to meet 5.9% annual traffic growth. The deliveries would account for 34% of all new aircraft, with more than 100 seats entering service worldwide during the forecast period.

**\*\*\*No More Doing The "Continental" ....** as the days are numbered for the Continental Airlines name, the Houston Chronicle reports. In just about 2 weeks, parent company United Continental Holdings will begin using only United for nearly all of its interactions with customers. And, with that, the Chronicle writes

the Continental name "will begin fading in the distance as two carriers that have merged into the world's largest become United. For now, Continental fans can take heart that "some United Continental planes still will bear the Continental name, until the company completes the task of repainting 700 aircraft that began when Houston-based Continental and Chicago-based United Airlines merged in Oct. 2010.

**\*\*\*Reanimating The Dead** ..... as the idea of making troubled MidAmerica St Louis Airport, on the Illinois side of the Mississippi opposite St. Louis, Missouri, into China air cargo hub has been revived with the idea of issuing US\$550M to finance the project. Two St Clair County Board committees have approved the bond issue on behalf of Strategic Air Cargo Inc of Chesterfield, Mo.

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

**\*\*\*Korean Air Big On The Boeing** ..... as it has become the first airline in the world to operate both of Boeing's new 747-8 and 777 freighters after taking delivery of the new aircraft at Seoul-Incheon airport. The 747-8 freighter offers a range of 8,130 kilometers and a maximum structural payload capacity of 154 tons, while offering an additional 4,221 cubic feet and 16% more revenue cargo volume than the 747-400 freighter. The twin-engine Boeing 777 Freighter is the most fuel-efficient airplane with leading economic and environmental performance in its category. It has a cargo capacity of 103 tons, with a range of 9,038 kilometers. The airline plans to operate the 747-8 freighter on its transpacific route, with stops in Osaka and Tokyo-Narita, Los Angeles and San Francisco. The 777, as the carrier's first twin-engine freighter, will facilitate its plans to enter new aviation markets in Europe, including Vienna, Frankfurt and London.

**\*\*\*Delamination of The 787** .... as Boeing expects the inspection & repair of 787s affected by composite delamination due to improper longeron shimming to slow near-term deliveries, but is unlikely to change its full year delivery forecast. "We don't think it will impact deliveries for the year, it will slow things down initially though," said Boeing Commercial Airplanes CEO Jim Albaugh at a dual 747-8F and 777F delivery to Korean Air Cargo in Everett, Washington 6 Feb. Boeing is currently forecasting delivering between 35 and 42 787s in 2012. The airframer began inspecting more than 50 787s spread across its Everett facility and in-service fleet with All Nippon Airways after discovering improper shimming of longerons in the aircraft's Section 48 aft fuselage, which caused the composite skin to delaminate. Makes one year for aluminum?

[www.theairplanegarage.com/Fuselage/forward\\_fuselage.htm](http://www.theairplanegarage.com/Fuselage/forward_fuselage.htm)

[www.youtube.com/watch?v=8I2GkB7IErc](http://www.youtube.com/watch?v=8I2GkB7IErc)

**\*\*\*Kenya Airways' First Freighter** ..... as it has a new Boeing 747-400 freighter, which will fly twice weekly between Guangzhou, China, and Nairobi, Kenya, and Lagos, Nigeria, has a capacity of 120 metric tons and 876 cubic meters of space. The cargo service will be run in association with Air France and KLM Royal Dutch Airlines. In the last quarter of 2011, Kenya Airways said its cargo tonnage rose 6.2 percent to 16,131 tons. The company expects to carry flowers to China and, on the return, haul electronics, spare parts, textiles & drilling equipment to Nairobi.

[www.kenya-airways.com/](http://www.kenya-airways.com/)

**\*\*\*Global Aviation Crashes** ... as the largest commercial provider of charter flights for U.S. military, has filed for bankruptcy because of military cuts and US\$493.2M in debts. A subsidiary of World Airways and North American Airlines, Global has filed for Chapter 11 to restructure and sell assets which listed at US\$589.8M following a credit-rating drop of one level to CCC- by S&P. Last June, it withdrew from US\$100M initial public offering.

**\*\*\*Airbuses To Freighters** ..... as the first passenger-to-freighter A330-300 and A330-200 conversions are expected to take flight in 2016 under a tie-up program between ST Aerospace and EADS EFW, according to an Airbus announcement. The joint venture expects that the bigger A330-300s will carry a higher, low-weight freight and be sought by integrator and express delivery companies, reports Rosewell, Georgia's Air Cargo World, while the A330-200s are more suited to heavier freight over great distances. ST Aerospace is taking the engineering lead on the A330P2F, which will be manufactured at EADS EFW's facilities in Dresden. "Aircraft conversion is one of the most complex modifications, which demands precision engineering finesse," said ST Aerospace president Chang Cheow Teck.

**\*\*\*Saudi Airlines Cargo Goes BellyFlex** .....as it will now provide a service for moving less-urgent shipments. The new BellyFlex offering is aimed toward goods that can be delivered within a transit time of 4 to 8 days.

**\*\*\*Eye Of The Beholder** .... as ORBIS International's Flying Eye Hospital in a converted DC-10 is still

the world's only ophthalmic surgical and training hospital with wings, has lately landed in Iloilo, the Philippines. The organization, with sponsorship from FedEx Corp, will be in the Philippines to offer a three-week medical program designed to increase the clinical and surgical abilities of local eye care providers in the Western Visayas region. This will be the Flying Eye Hospital's 11th program in the Philippines since 1982, celebrating 30 years of sight-saving work, a statement said. David Johnson, Flying Eye Hospital director at ORBIS Int'l, said, "We will address the leading and emerging causes of blindness, including cataract, diabetic retinopathy and paediatric eye disease, while we continue to raise awareness of avoidable blindness."

[www.orbis.org/Default.aspx?cid=4825-4855](http://www.orbis.org/Default.aspx?cid=4825-4855)

**\*\*\*Chicagoland Heats Up** ..... as Rockford Solar Partners, a renewable energy development joint venture between Elgin, Ill.-based Wanxiang America and New Generation Power in Chicago, received both U.S. Energy Dept. & Federal Aviation Administration environmental approval to start building the country's largest commercial airport-based solar farm to be located at the Chicago Rockford Int'l Airport. Rockford airport was picked for the 20-megawatt solar project because it offers 70 acres to install the solar panels, and the airport and City of Rockford are known for its other environmentally friendly practices and incentives, the companies said.

**\*\*\*OHL Solutions Slammed For Screening** ... as the large logistics services provider based in Brentwood, Tenn., has agreed to pay a US\$1M civil fine and take other remedial steps for failing to properly screen cargo for explosives as a designated agent of the Transportation Security Administration, the U.S. Attorney for the Southern District of Indiana announced Feb. 8. The violations were committed by ActivAir, OHL's air freight forwarding division previously acquired from a British firm, at its Indianapolis facility and first came to light in Dec. 2010.

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

**\*\*\*Detroit Is Boring & Dangerous** .... as international air cargo at Detroit Metropolitan Airport has been found to contain wood-boring insects during inspections. The Associated Press reported that U.S. Customs and Border Protection officers discovered 8 insects during 6 inspections in late January, and the wood packaging materials they were in were refused entry into the U.S.. Customs and agricultural inspectors also found tunnels made by insects in wood packaging on 13 occasions last month. According to Customs the increased movement of wood products in international trade has allowed insects, other pests and pathogens to enter the US from overseas. Invasive species are said to have caused "extensive damage to trees and agricultural products."

**\*\*\*Volumes >>>** Air China freight volume dropped by a substantial 28.5% year on year and 23.8% month on month to 73,300 tons in January. >>> China Eastern Airlines has posted a 19% year-on-year decline to 97,200 tons in January and a 27.5% month-to-month decline. >>> Brussels Airport posted a year-on-year 7.3% cargo volume increase to 475,000 tons in Dec. >>> LAN Airlines' cargo numbers for January showed a 2.1% traffic increase and a 3.6% capacity increase over the same time period in 2010. Load factor decreased 1 point to 65.4%, year over year. >>> United Airlines & Continental Airlines experienced an 11.9%, year-over-year, drop in freight revenue in Jan. >>> **Shanghai Pudong International Airport** recorded a sharp fall of 22.37% in its air cargo volume to 199,900 tonnes in Jan.

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

**4. FF World Ocean Briefs**

**\*\*\*Piracy Down, But Still Shocking** ..... as the European Shippers' Council (ESC) said the state of piracy, while improving, is still at a "shocking" level. ESC referred to a reported 37 attacks in 2012, coming on the heels of 420 attacks in 2011, with **more than 150 hostages currently being held**. The ESC emphasized that the use of citadels or safe points currently being used as last resorts, are not solutions, nor are the use of private armed guards aboard vessels.

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

**\*\*\*Between The Seychelles & The Maldives** ..... as a company that supplies armed guards and other protection services to commercial ships said pirates have begun to focus their attacks on a new region of the Indian Ocean affecting the Cape of Good Hope-to-Arabian Gulf shipping lane. The company, Gulf of Aden Group Transits (GOAGT), said it received information that pirates have been active in the past month in the area between the Seychelles and Maldives. Shipping along these routes is vulnerable, as



many vessels are not hardened against piracy, and do not carry armed guards. This is due to these routes being outside of the traditional high risk area.

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

**\*\*\*Stop Building Ships!** ..... as the chairman of the Int'l Chamber of Shipping, Spyros Polemis, is pleading for a suspension of new containership building. "Until the crisis is over we do need a moratorium on new orders for ships that have no economic purpose. Current markets would appear to be demonstrating just how seriously damaging the oversupply of ships has been to shipowners' revenues, with many now struggling to meet operating costs," he said, according to London's Financial Times. The call comes in response to the challenges facing global shipping in the year ahead, reported American Shipper. Cargo trade volumes have weakened in once traditionally, strong markets, crippling freight rates and knocking the supply-demand balance off course from earlier growth projections. Speaking at a shipping conference in Athens, Mr Polemis said "rates for all bulk carriers are a fraction of what they were a few months ago."

**\*\*\*Ghost Fleet Grows** .... as the global idle containership fleet increased to 286 ships with a total capacity of 750,900 TEU as of the end of Jan. 2012, up 10-fold since June when it hit a low of 75,000 TEU, according to Paris-based Alphaliner. This was attributed to excessive growth container shipping capacity combined with "sluggish" demand on all key trade lanes. In contrast, the total active world fleet increased six per cent to 14.8 million TEU over the same period last year. The data highlights that the Far East-Europe and Far East-North America trades, accounting for 40% of total world fleet deployment, experienced the smallest capacity growth compared to all other routes last year.

**\*\*\*On Time Deliveries Expected To Fall** ..... as the advisory & research company Drewry said shippers should expect reliability levels to fall as rates rise, if recent research is an indicator. "When rates have been good for carriers, reliability has been below par, while the two best on-time results have occurred in periods when prices have been on the floor," Drewry Supply Chain Advisors said in its February Logistics Executive Briefing. "While the historical results do leave plenty of room for improvement, it is clear that many carriers are committed to improving reliability, even when the motivation in terms of rates has been missing." Drewry said shippers should explicitly emphasize the importance of reliability when drawing up contracts with their carrier partners. Finally, Drewry said carriers should not expect rapid results from short-term improvements in reliability, but rather see it as a way to differentiate themselves from a homogenized market.

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

**\*\*\*Maersk Line Rates To Rise** ..... as the leader plans to increase rates between Asia and several Americas regions from March 15, from the Far East to the east coast of South America, US\$600 per TEU and from the Far East to Central America, the west coast of South America (including Buenaventura, Colombia), and Mexico, US\$400 per 20-foot container and US\$800 per 40-foot, 40-foot high-cube, or 45-foot container. On Feb. 17, Maersk announced overcapacity in the trade was hampering freight rates and that changes would result in a 9% removal of its capacity on the trade.

**\*\*\*\*"DEAD FREIGHT" Ruling** ..... as the transpacific start-up, The Containership Company (TCC), which launched a Shanghai-LA shuttle in 2010, won a ruling in U.S. Bankruptcy Court that it was entitled to pursue shippers for breach of contract, if they failed to meet cargo minimum quantity commitments (MQC). The Norwegian company alleged a breach of contract by 77 shippers, who failed to live up to minimum quantity commitments (MQC). This was reflected in cargo volumes plummeting and skewering freight rates, reported American Shipper. TTC lawyers expect the "remaining shippers to reconsider their tactics and follow in the footsteps of the third of the TCC shippers who have already settled their outstanding with TCC. "Dead Freight" is a shipping term for space reserved with a carrier, but not used by the shipper.

**\*\*\*China Inspects Her Destination Port** ..... as PRC vice president Xi Jinping, expected to be the next leader of China, visited the Port of Los Angeles last week in the 3rd and final leg of his U.S. tour to view ongoing expansion of the China Shipping terminal costing US\$121M. Mr Xi cited China Shipping terminal as a "role model for future co-operation between the Chinese and U.S. business communities" boasting 1.5 million TEU handled in 2011, 10% of the port's overall volume which records the highest cargo volume of the U.S. from China. 60% of all U.S. freight enters the United States through Los Angeles and Long Beach. From the [Countryman & McDaniel](#) offices we watched the longest motorcade we have ever seen. We frequently see U.S. presidential motorcades -- geeez -- this was much bigger.

**\*\*\*India's Cabotage Failure** ..... as Kochi Int'l Container Transshipment Terminal (ICTT) will not live up to its name if India's cabotage laws continue to block foreign flag vessels from full transshipping rights- not to mention the prohibitive port fees that keep major carriers away, says Maersk Line India's managing director, Rizwan Soomar. In an interview with India's Frontline magazine, Mr Soomar said: "**Cabotage law does not allow a foreign flag ship to carry cargo between Indian ports.** The law does not even allow for empty containers to be transshipped between Indian ports on a foreign flagged shipping line." Said Mr Soomar: "Today, cargo is being transhipped through foreign ports like Colombo, Dubai and Singapore. Costs at these ports are much lower. This is a huge loss in business for Indian ports." So two things are needed: "Relaxing the cabotage law and making the port tariff competitive with nearby foreign ports would assist in getting more mainline vessels calling on India, as it will provide better parcel sizes and economies of scale," he said. "Port costs in India are very steep for foreign flagged ships compared to Colombo, Dubai and Singapore. If foreign flag vessels are allowed to carry their cargo between Indian ports, it would bring greater economies of scale and lower costs for the customer," said Mr Soomar.

**\*\*\*Paper Mill Threatens Jacksonville** ..... as Georgia officials are eyeing a bankrupt paper mill on the St. Mary's River in Camden County as a possible site for a third port. Camden County Development Authority Executive Director David Keating recommended to lawmakers that the state buy the 720-acre site of a defunct mill at St. Mary's, Ga. for US\$12M and turn it into a port, the Morris News Service reported Feb. 16. In June 2004, the Durango Georgia Paper Co. filed for Chapter 7 bankruptcy & closed down. The demolished mill sits three miles upstream from a shipping channel maintained by the U.S. Army Corps of Engineers at 48 feet deep to accommodate submarines stationed at the Kings Bay Naval Base and the Port of Fernandina on the Florida side of the river. St. Mary's, Ga., is 40 miles north of Jacksonville, Fla., and a new port there could pose a threat to business at the Port of Jacksonville, which welcomed its first container-only terminal in 2009 and tentatively plans to open another one in 2016. Last year, Jacksonville handled 900,433 TEUs compared to 826,580.

**\*\*\*Chinese River Pirates** .... as shipping on the Lancang-Mekong river has recovered to normal levels since international patrol boats guard against river pirates who recently killed crewmen on two Chinese vessels carrying cargo on the river. Statistics from China's Lancang river shipping administration shows that in January, movement of cross-border shipments has risen to 19,200 tons, around the same level in the same month in 2011. Despite suspension for two months in 2011, the river's cargo movement last year was still a little higher compared to 2010, reaching 251,000 tons.

**\*\*\*Container Collision** ..... as an MOL containership has collided with a COSCO Container Lines vessel, according to a notice from the Japanese line. The collision occurred between the 6,724-TEU [M/V MOL Maneuver](#) and the [M/V COSCO Zhen He](#) while southeast of Hong Kong at 5:45 p.m. on Feb. 22. "None of the crew was injured and no oil leak has been observed," the line said. "The MOL Maneuver is capable of sailing under its own power. Meanwhile, we are investigating the situation on the other ship, but have not identified any injured persons or oil leakage." The MOL vessel is deployed on the New World Alliance's JEX service between the Far East and Europe. The ship was under way from Singapore to Yantian. Follow all the [Countryman & McDaniel Daily Vessel Casualties](#) at: [www.cargolaw.com/presentations\\_casualties.php](http://www.cargolaw.com/presentations_casualties.php)

**\*\*\*Maersk Inc. Sells It's Chassis Business** .... as it has entered an agreement to sell its Direct ChassisLink (DCLI) business to Littlejohn & Co., a Connecticut-based private investment firm. A sale price was not announced, but the company said the deal should not have any impact on the 2012 financial results of the A.P. Moller-Maersk Group. DCLI rents and leases chassis to drayage companies and liner carriers in the United States. The company owns or leases about 66,000 chassis through a network of 129 locations on or near key ports and other intermodal hubs throughout the country.

**\*\*\*Neptune Orient Lines & APL Drop Chassis Service** ..... as it has announced its container shipping arm, APL, will begin phasing out its U.S. fleet of container chassis during the first half of 2012. The carrier is expected to complete the disposal of the fleet by 2014, a statement said. Chassis are the skeletal truck trailers used to haul shipping containers over the road. The shipping line said it will turn its fleet over to organizations that specialise in providing chassis to drayage companies. Disposal will begin with a pilot programme at terminals in Denver and Salt Lake City, which could begin as early as March. Chassis will be phased out at most of the company's inland terminals by the end of this year, then extended to US east coast seaports in 2013, and is expected to be completed nationwide by early 2014.

**\*\*\*Throughput >>>** Port of Columbo container volume increased 3% to 4,262,887 TEU in 2011 year on year and transshipments up one per cent to 3,123,828 TEU after a 17.6 % increase in 2010. >>> **Port**

**of Duisburg**, Europe's biggest inland port, reached a record 2.5M TEU in 2011 >>> **Port of Durban** has recorded a 7.3% increase in container throughput at 2.5 million TEU, doubling 2010's performance, which was shut down by a countrywide transport strike. >>> **Port of Los Angeles** said Feb. 15 its import and export container volumes each rose more than 5% in January from a year ago as imported containers rose 5.3% from 2010, to almost 356,400 TEUs, while exports rose 5.9% to just over 168,400 TEUs >>> Port of Miami experienced container throughput increase of 7% to 906,607 TEU in 2011, bumping up last year's 5% boost and maintaining its rank as number one port in Florida. >>> **Port of New Orleans** in 2011 grew 11.6% on an annual basis to 476,413 TEUs, a port record and an increase of 46% from two years ago. >>> **Port of Ningbo's** box volume increased 10.2% year on year in Jan. to a new record of 1.39 million TEU, now 4th biggest in China. >>> **Port of Shanghai** suffered a 3.3% decrease in container volume year on year to 2.6 million TEU in January >>> **Port of Tacoma** said it experienced a 4% increase in container volume, to 109,597 TEUs, in January compared to a year earlier on the strength of inbound box shipments, which were up 12.4% to 39,386 TEUs. >>> **Taiwanese ports** have recorded 5.4% growth in container volume of 13.4 million TEU in 2011, hitting a four-year high to beat off growth rate of 3% in Hong Kong and Singapore's 5.3%.

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

1799 - **USS Constellation**, commanded by Capt. Thomas Truxtun, captures the French warship l'Insurgente.

1943 - The organized Japanese resistance on Guadalcanal ends.

1947 - Carrier **USS Wright** (CVL 49) is commissioned.

1978 - A new era in naval communications begins with the launching of the first satellite of the Navy's Fleet Satellite Communications System.

1984 - Destroyer **USS Moosbrugger** (DD 980) fires approximately 150 shells at Syrian artillery positions east of Beirut.

**\*\*\*Largest Jones Act Violation** .... as U.S Customs has refused to cut US\$15M fine for a company that moved an oil rig on a Chinese ship, stopped in Canada on the way from the Gulf of Mexico en route to Alaska to evade to Jones Act, which mandates U.S.-flagged ships have a monopoly on such jobs. "No mitigation will be granted," said a letter from U.S. Customs to the lawyer representing Furie Operating Alaska, previously known as Escopeta Oil Co. "A US\$15M fine is the appropriate penalty for such a blatant violation," said a statement from American Maritime Partnership, the Jones Act lobby. This is one of is the largest fines in history of such violations. Customs said the penalty was based on the appraised value of the rig, reported American Shipper.

**\*\*\*The Death of Atlantic Mutual Insurance Co.** .... as for more than a century, it covered yachts, steamships laden with gold, and even a seemingly indestructible passenger liner called the RMS Titanic. Then last year, the company itself sank—leaving behind a treasure trove of nautical memorabilia that is now up for sale. Yet unlike the high-profile Titanic auction scheduled for April—it aims to unload 5,500 artifacts raised from the wreck, including teacups, passengers' personal items and chunks of the hull, in one big lot—New York officials face the task of figuring out how to create interest for the low-profile Atlantic Mutual collection. Currently stashed in the offices of an art gallery here, the relics include model ships, maritime paintings, barometers, telescopes, sextants, gold nuggets and even a copy of the insurance policy for the Titanic's hull (Atlantic Mutual cut a US\$100,000 check to cover its share of claims.) But the most valuable bit of loot may be the 342 leather-bound volumes that represent possibly the most extensive record of U.S. maritime disasters. The following links provide amazing history:

<http://tinyurl.com/76fb597>

[http://en.wikipedia.org/wiki/Atlantic\\_Mutual\\_Insurance\\_Company](http://en.wikipedia.org/wiki/Atlantic_Mutual_Insurance_Company)

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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 photo feature for Feb. 2012: "**Acute Rena Failure**" - the slow death of *M/V Rena* as we have been following since Oct. 2011

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

Also See "**Capsize of Cruise M/V Rabaul Queen**" - the 100 cruise ship passenger death you did not hear about

[www.cargolaw.com/2000nightmare\\_singles\\_only.html#Rabaul](http://www.cargolaw.com/2000nightmare_singles_only.html#Rabaul)

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**>>>>>>

APL Logisitics ShipmentOptimizer ..... video of new shipment planning platform aimed at changing the way large freight buyers coordinate their transportation activities.

[www.youtube.com/watch?v=T-cpiaaDcE8](http://www.youtube.com/watch?v=T-cpiaaDcE8)

Automatic Skew Control Ship-to-shore (STS) Cranes Productivity

[www.youtube.com/watch?v=TF34M02bQns](http://www.youtube.com/watch?v=TF34M02bQns)

<http://www.youtube.com/watch?v=pMOqJsY2ecl>

Guarding Your Supply Chain Data

[www.inboundlogistics.com/cms/article/security-guard-questions-and-answers-with-dennis-omanoff/](http://www.inboundlogistics.com/cms/article/security-guard-questions-and-answers-with-dennis-omanoff/)

History of the Airforwarders Association ..... great video

[www.youtube.com/watch?v=kiDWPGqRYi4&feature=related](http://www.youtube.com/watch?v=kiDWPGqRYi4&feature=related)

New FMC Report: Study of The 2008 Repeal of The Liner Conference Exemption From European Union Competition Law

[www.fmc.gov/assets/1/Documents/FMC\\_EU\\_Study.pdf](http://www.fmc.gov/assets/1/Documents/FMC_EU_Study.pdf)

Next Customs Broker License Examination Is Monday, April 2, 2012

[www.cbp.gov/xp/cgov/trade/trade\\_programs/broker/broker\\_exam/notice\\_of\\_exam.xml](http://www.cbp.gov/xp/cgov/trade/trade_programs/broker/broker_exam/notice_of_exam.xml)

Sealift Command Takes Part In Historic Amphibious Exercise

<http://professionalmariner.com/ME2/dirmod.asp?sid=&nm=&type=news&mod=News&mid=9A02E3B96F2A415ABC72CB5F516B4C10&tier=3&nid=BCB2F7C7761245208466184DBE5E6A3>

U.S. Air Cargo Advance Screening Project -- AfA Update

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

U.S. Custom & Border Protection Trade Transformation Goals - Initiatives for 21st Century Trade  
[www.cbp.gov/linkhandler/cgov/trade/trade\\_transformation/external\\_trade\\_trans.ctt/external\\_trade\\_trans.pdf](http://www.cbp.gov/linkhandler/cgov/trade/trade_transformation/external_trade_trans.ctt/external_trade_trans.pdf)

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

### **J.J. Kelly Customizable Logistics Signs & Labels**

<http://jjkeller.accuform.com/store/custom/index.cfm>

Jobs 2 Sea - Maritime Professionals, Ashore and at Sea

[www.job2sea.com/](http://www.job2sea.com/)

SmartTrip ..... making smart business travel decisions

<http://runzheimer.com/Solutions/Travel-Expense-Mangement/SmartTrip.aspx>

ZTRAK: Battery-Operated Asset Tracking

[www.zonarsystems.com/products/ZTrak/](http://www.zonarsystems.com/products/ZTrak/)

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

### **Transport Events**

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

10th 3PL Summit, June 18-20 in Chicago

[http://uk.eyefortransport.com/fc\\_eyefortransport/lz.aspx?p1=05054131S092&CC=&p=1&cID=0&cValue=1](http://uk.eyefortransport.com/fc_eyefortransport/lz.aspx?p1=05054131S092&CC=&p=1&cID=0&cValue=1)

26th Annual Commercial Aviation Industry Suppliers Conference .....March 5-7, 2012, Beverly Hills

[www.speednews.com/ConferenceInfo.aspx?conferenceID=121](http://www.speednews.com/ConferenceInfo.aspx?conferenceID=121)

2012 CNS Partnership Conference ..... 6-8 May, 2012, Miami

[www.cnsc.net/events/Pages/2012-CNS-Partnership-Conference.aspx](http://www.cnsc.net/events/Pages/2012-CNS-Partnership-Conference.aspx)

ALACAT 24th Congress ..... 13-16 May 2012, San Antonio, Texas

[www.alacat2012.org/program-agenda.asp](http://www.alacat2012.org/program-agenda.asp)

AirCargo 2012 .....18-20 March 2012, Miami

[www.my-registration.com/AirCargo2012](http://www.my-registration.com/AirCargo2012)

Between the Wharf and the Warehouse – What's Next? .....3 May 2012, Virginia Maritime Assoc., Norfolk

[www.vamaritime.com/page/symposium](http://www.vamaritime.com/page/symposium)

Breakbulk China 2012 .... 28 Feb. - 1 March 2012, Shanghai

[http://breakbulkevents.com/index.php?section=breakbulk\\_asia2012\\_fees](http://breakbulkevents.com/index.php?section=breakbulk_asia2012_fees)

CNS Partnership Conference 2012 .....6-8 May 2012, Miami

<https://ems.resrunner.com/CNS12>

Cool Logistics Africa 2012 Conference ..... 24-26 April, Cape Town

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

ECA Marketplace 2012 (shippers & carriers) .....10-12 April 2012, Chicago

[www.expresscarriers.org/marketplace/index.php](http://www.expresscarriers.org/marketplace/index.php)

European Shortsea Convention 12.... 24 May 2012, Dublin, Ireland

[www.imdo.ie/IMDO/newsroom/top-news-story.htm](http://www.imdo.ie/IMDO/newsroom/top-news-story.htm)

IATA World Cargo Symposium 2012 .....13-15 March 2012, Kuala Lumpur, Malaysia  
<https://ems.resrunner.com/WorldCargo>

Operation Sail - Tall Ships ..... 17 April 2012, New Orleans  
[www.opsail.org/index.php](http://www.opsail.org/index.php)

TOC Container Supply Chain: Europe ..... 12-14 June 2012, Antwerp Expo Belgium  
[www.tocevents-europe.com/](http://www.tocevents-europe.com/)

Transportation & Logistics Council 38th Annual Conference ..... April 23 - 25, 2012, Orlando  
[www.tlcouncil.org/2012\\_online\\_registration](http://www.tlcouncil.org/2012_online_registration)

World Cargo Symposium 2012 ..... 13-15 March 2012, Kuala Lumpur, Malaysia  
[www.iata.org/events/wcs/Pages/index.aspx](http://www.iata.org/events/wcs/Pages/index.aspx)

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

AgileShip App .....streamline multi-modal carrier payment and access cheapest rates & services  
<http://agileshipse.agile-network.com/>

F-16 Dodging 6 Iraqi SAM Launches ..... skip to the 3 minute marker for the action  
[www.liveleak.com/view?i=6ee\\_1328291061](http://www.liveleak.com/view?i=6ee_1328291061)

FlightAware .....the world leader in flight tracking offers the only free flight tracking/flight status app for your device.  
<http://flightaware.com/mobile/>

IAG Cargo ..... combines British Airways World Cargo and Iberia Cargo to keep track of your shipments in real time anywhere  
<http://itunes.apple.com/us/app/iag-cargo/id492094793?mt=8>

Recall Plus ..... as this Sap app tracks consumer goods recalls  
<http://itunes.apple.com/us/app/recalls-plus/id499200328?mt=8>

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

**Hello Kitty Jets: Cutest?**

[www.cnn.go.com/explorations/life/eva-air-does-its-best-new-hello-kitty-jets-623405?hpt=hp\\_bn7](http://www.cnn.go.com/explorations/life/eva-air-does-its-best-new-hello-kitty-jets-623405?hpt=hp_bn7)

**First Look: The Air Force's Latest Experimental Plane, the X-56A**

[www.popularmechanics.com/technology/aviation/military/first-look-the-air-forces-latest-experimental-plane-x-56a-6654977?src=nl&mag=pop&list=nl\\_pnl\\_tch\\_non\\_021712\\_new-plane&kw=ist](http://www.popularmechanics.com/technology/aviation/military/first-look-the-air-forces-latest-experimental-plane-x-56a-6654977?src=nl&mag=pop&list=nl_pnl_tch_non_021712_new-plane&kw=ist)

Korea Enters Submarine Export Market

<http://articles.maritimepropulsion.com/article/Daewoo-Enters-Submarine-Export-Market-1565.aspx>

Latest Wrecked Exotic Cars

[www.wreckedexotics.com/newphotos/exotics2012feb20/](http://www.wreckedexotics.com/newphotos/exotics2012feb20/)

New York & New Jersey Wall of Shame Top Corporate Egregious Toll Violators ..... some surprises, including US\$1.7M for Enterprise Rent A Car.

[www.panynj.gov/bridges-tunnels/pdf/top-violators.pdf](http://www.panynj.gov/bridges-tunnels/pdf/top-violators.pdf)

Taming The Arctic Sea Route

[www.maritimeprofessional.com/Blogs/Taming-the-Arctic-sea-route/February-2012/Taming-the-Arctic-sea-route.aspx](http://www.maritimeprofessional.com/Blogs/Taming-the-Arctic-sea-route/February-2012/Taming-the-Arctic-sea-route.aspx)

My Apology To President Karzai On Behalf of Americans .... #1 must to see

[www.youtube.com/watch?v=ZYEctbGSkkw&feature=player\\_embedded](http://www.youtube.com/watch?v=ZYEctbGSkkw&feature=player_embedded)

Things you never want to see in D.C. -- F-16 Intercept  
[www.aopa.org/aircraft/articles/2012/120202things-you-never-want-to-see-in-dc.html?WT.mc\\_id=120210eflight&WT.mc\\_sect=ftn](http://www.aopa.org/aircraft/articles/2012/120202things-you-never-want-to-see-in-dc.html?WT.mc_id=120210eflight&WT.mc_sect=ftn)

U.S. Revenue Cutters & The War of 1812  
[www.uscg.mil/history/1812.asp](http://www.uscg.mil/history/1812.asp)

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**OUR "E" Section: The Forwarder/Broker World\*\*\***  
7. New U.S. Transport Related Legal Cases \_\_\_\_\_

***Lozman v. The City of Riviera Beach, Florida***  
**U.S. Supreme Court**

Certiorari granted: 21 Feb. 2012  
Case #11-626 - 649 F.3d 1259 (11th Cir. 2011)  
ADMIRALTY - Whether a floating structure that is indefinitely moored receives power and other utilities from shore and is not intended to be used in maritime transportation or commerce constitutes a "vessel" under 1 U.S.C. § 3, thus triggering federal maritime jurisdiction.

Lozman had his floating home moored to a dock located in the City of Riviera Beach, and signed a lease with the city to remain there indefinitely. The City subsequently instituted an in rem proceeding against Defendant Unnamed Gray, Two-Story Vessel Approximately 57 Feet in Length ("Defendant") on two counts. The first count was for the tort of trespass alleging the Defendant had remained at the City marina after the City explicitly revoked its consent. The second count was to initiate foreclosure of a maritime lien for unpaid dockage provided to Defendant. The district court concluded it had admiralty jurisdiction over the Defendant because the Defendant was a "vessel" under 1 U.S.C. §3. It then granted a warrant for the arrest of Defendant in connection with the lien sought by the City. U.S. Marshals arrested the Defendant and towed it to Miami, Florida. Lozman filed an emergency motion to dismiss the complaint and return his residence to the city marina. The district court denied the motion and granted the city's partial summary judgment on its trespass claim. After a bench trial, the district court determined the trespass gave rise to nominal damages of US\$1 and the Defendant owed the City approximately US\$3,000 under the maritime lien.

On appeal, the Eleventh Circuit affirmed the district court explaining its binding precedent mandated Defendant is a "vessel." Lozman filed a petition for a writ of certiorari and the Supreme Court granted review to resolve differences in opinion on this issue among the Eleventh Circuit and the Fifth and Seventh Circuits.

The U.S. Supreme Court will decide this dispute in the Oct. 2012 session.

Read the details of this dispute:  
[www.ca11.uscourts.gov/opinions/ops/201010695.pdf](http://www.ca11.uscourts.gov/opinions/ops/201010695.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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